THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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EUROPE'S BETTER BUYING POWER AID TO CANADA

Continental Countries Taking Larger Quantities of Our Products

PRICES BEING CUT

The Keenness of Competition Leads to Unfair Methods to Get Retail Business in Many Lines

Two major factors in the business situation are eminently favorable—the crop outlook, and the current improvement in European conditions. In the former there is nothing new since last week. Factors affecting the Western crop still point to a very satisfactory yield, and world conditions continue to indicate a higher level of grain prices. In regard to the latter there are increasing evidences that Europe is slowly recovering. Foreign trade figures show that the purchasing power of the continental countries is expanding. Germany's imports from this country during the last fiscal year were 63 per cent. greater than during the previous year, last year's total being $16,153,000, and France's imports were 30 per cent. greater. Great Britain also bought more of our goods. Apparently British internal conditions have begun to improve in earnest. Unemployment has been falling off, bank clearings are up, while the iron and steel industries are much more active. It is significant that so large a vote was registered in the British House of Commons in favor of preference with the Dominions. This is our best market and it is interesting to note the large amount of sentiment in favor of preference in Great Britain.

Canadian production continues on a high level. Pig iron output which has increased steadily since February reached a record of 84,987 tons in May. The cumulative total for the first five months was 370,142 tons, the highest total since the 1920 peak as against 335,000 tons during the same period last year. The production of steel ingots and castings, being 4 per cent. higher than for April was the largest for any month since October, 1920. Although prices are slightly lower, the revenue from this source is larger than last year.

A record has also been made by the gold mines of Northern Ontario. Last month the Porcupine and Kirkland Lake areas alone produced more than $2,200,000 worth of metal. Assuming the continuation of anything like the present rate of output from these mines, a much larger amount of money will be distributed to Canadian business from this source during the current year than ever before.

CUT THROAT COMPETITION—

While the volume of retail sales throughout Canada compares favorably with that of last year in practically all lines, the situation has become complicated by a new factor which has crept into the relations between wholesaler and retailer. The latter is no longer subject to the dictates of the wholesaler or the manufacturer as formerly, but has become highly independent as a consequence of the great variety of sources from which he can obtain his goods in Canada as well as in Germany, Sweden, the United States, Great Britain and elsewhere. Intense competition has naturally arisen for his orders. Price cutting has become general, and resort has been made to unsound, unfair, dishonest and in some cases, criminal practices which, in the long run, must end disastrously for some businesses. This is something from which the country has been free for many years, but with the increased competition referred to, it has reappeared within the last few months and is now becoming acute. It involves principally such methods as breaking trade agreements, making secret rebates, over-riding price scales, ab-

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Canadian Conditions

	1923	1924	
Car Loadings—Year to date—			
	1,120,565	1,225,803	+ 9.4%
Building—Five Months—			
	$49,925,237	$38,988,062	—21.9%
Bank Clearings—Five Months—			
	$5,983,250,650	$6,146,469,440	+ 2.8%
Grain Movement—Receipts to date—	1922 crop	1923 crop	
	298,247,426	377,250,441	+26.4%
Savings Deposits—Chartered Banks—			
	$1,227,253,431	$1,211,504,684	— 1.3%
Current Loans—By Banks—			
	$1,087,969,788	$1,005,425,951	— 7.6%
Net Dominion Debt—			
	$2,406,399,510	$2,385,263,512	— 0.8%
Railway Earnings—Five Months—			
C.P.R.	$63,734,000	$67,406,000	+ 5.7%
C.N.R.	95,592,406	95,186,491	— 0.4%
Balance of Trade—Twelve Months, May—			
Exp.	$958,844,577	$1,069,715,880	+11.5%
Imp.	841,209,002	873,370,752	+ 3.8%
Bal.	117,635,575	196,345,128	+67.0%

A Billion Dollar Tourist

The project for the joint development of the St. Lawrence river route by Canada and the United States is said to have had its origin in the mind of an American tourist who formed the habit of passing his summers in this country. So great was the liking he experienced for Canada and its people that he built a summer home on the edge of one of our lakes, where, with his young and growing family he used to spend the time he allowed himself for his annual rest.

Here, it is said, the first vision of the possibilities offered by the development of our great national waterway came to him and eventually expanded into something like its present form.

The story is probably true. At any rate, whether our visitor was the actual originator of the scheme or not, he undoubtedly has been the backbone of the movement. For some years, in conjunction with other prominent men of his own country and of Canada, he has been working quietly to further the realization of the idea, and has made many journeys to Ottawa and still more to Washington with this end in view.

The probable cost of the project, as estimated by its promoters, is no less than one and a quarter billion dollars, and far exceeds the estimate put forward by other interests.

The fact that so vast a sum of money is in sight to carry out the proposed development as a private enterprise is striking evidence of the high standing of this group which consists of leading men in both countries.

Moreover it furnishes concrete proof to Canadians of the wisdom of encouraging worth-while men to visit this country and to show them cordiality and courtesy during their stay.

CROPS CATCHING UP AFTER LATE START IN SPRING

The Prospects Are Fair to Good Throughout Canada

After a late start, satisfactory progress is now being made by the Western wheat crop. Moisture conditions are generally good and although rain is needed in some districts there are no reports of serious drought. There was a good reserve of moisture from the fall and winter, and recent rains have been quite general.

Following unsatisfactory returns on the wheat crop last year many farmers have reduced their acreage for this crop. Manitoba has perhaps 25 per cent. less, Saskatchewan is reduced a little and Alberta may show slight increase. The acreage in flax is increased while there is also a considerable increase in corn, sweet clover and fodder crops, particularly in Manitoba, as a reflection of larger interest in live stock.

Backward weather has unsettled agricultural conditions in Ontario. Growth is now catching up rapidly and while it is yet too early to say what the net result will be, prospects on the whole may be said to be fair to average, in the opinion of Bert Roadhouse, deputy minister of agriculture. Wet weather in the spring resulted in considerable drowning out, necessitating re-seeding in some areas, while in other districts operations were delayed. The result has been that acreage seeded to early crops was reduced while the area of later crops has increased. The net result of this shifting cannot be judged as yet.

Fall wheat is in good condition, perhaps a little better than the average, but this is not a relatively big crop in Ontario. Spring grain crops are rather backward still but catching up. The hay crop is good and this is a big factor in the situation. The prospects are that the fruit crop will be a good average.

Conditions in the East are gener-

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BOTTLE MAKERS GAIN WHEN RUM IS RUN

Bootlegged Bottles Never Come Back for Re-Fill and Have to be Replaced

MONTREAL.—There are no re-returned empties in the bootlegging industry. When a brewery or distillery ships out a case to a Canadian consumer it gets the bottles back and uses them over and over again. But when the case of strong stuff gets into the hands of a rum runner, who ships it across the border into the United States, the bottles never come back. In the first place the profits on the liquor are so great that the allowance for returned empties would not be worth going after and in the second place returning the bottles to Canada would involve smuggling shipments both ways. The rum runners, so 'tis said, make more money smuggling silks on their return trip.

The glass companies have benefited from this situation. In fact, one of the reasons Dominion Glass is selling over par on the Montreal Exchange is the fact that traders around the brokerage offices have whispered the tip around the street that rum running has, by a chain of circumstances in which Dominon Glass itself has no part, added considerably to the sales of bottles by this company to breweries and distillers.

GOLD DWINDLES; HAS $85,000,000 GONE IN 15 MOS.?

Is Government Allowing Reserves to Leave the Country?

PRODUCTION LARGE

Yet, Despite Big Gold Output, Reserves Have Shrunk $56,000,000 in Little Over Year

From Our Own Correspondent.

MONTREAL.—How Canada is losing out by unfortunate lack of real leadership in the Department of Finance at the present time, is indicated in the gradual drain from this country of our gold reserves. Prior to the illness of the Hon. W. S. Fielding, Minister of Finance, a substantial accumulation of gold was being built up in Canada, and every indication pointed to an early return to the gold basis. It seemed, in fact, that this was the direction the Minister of Finance was heading towards. But during recent months many millions of dollars of gold have left Canada. It is hard to explain the reason for this. It may be that the government has definitely decided that an early return to the gold basis is not feasible or warranted. Again, it may be that the Hon. James A. Robb, the acting Minister of Finance, clever business man as he is, has not had time to centre his thought on this question, and is not seeing to it that the policy that Mr. Fielding seemed to have inaugurated is being followed out.

How Gold has Disappeared

At the end of January, 1923, the banks of the country, in their central gold reserve, and the government, had between them $222,000,000 of gold. This provided almost a high water mark of gold coverage for the outstanding currency of Canada, and put Canada on a high plane as regards the backing given to her money. At the end of April, 1924, the gold held by the banks and the government had declined to $166,000,000. The percentage of gold to notes outstanding was much lower than fifteen months previously.

The difference between the two figures is $56,000,000, which represents gold that has evidently been shipped out of Canada. Add to this the production of gold in that period amounting to around $30,000,000, and it would seem that about $85,000,000 of gold has left Canada in fifteen months—or about $6,000,000 a month.

Government Has Shipped Most

Most of the gold has evidently been shipped out by the Dominion Government. Most of this has probably gone to meet obligations for interest, and similar needs in New York. The government has shipped gold rather than pay the premium on New York funds. While this has saved the government a few thousand dollars, the real benefits are doubtful. In shipping out the gold the government has weakened the position of the currency of the country and if there is any reality at all to the operations of money in relation to the gold standard, this means that it has had a tendency to keep the

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Higher Dividends and Bond Interest in July

Dividends and bond interest on Canadian securities payable in July will total $33,897,000, according to THE FINANCIAL POST'S compilation. This compares with $30,924,000 for July, 1923—an increase this year of about $3,000,000.

Canadian Bank Turns Borrower in New York instead of Lender

New York's "cheap money" will probably have the effect of broadening the available supply of banking funds in Canada. In at least one instance, THE FINANCIAL POST understands the New York agency of a Canadian chartered bank will become a borrower in the New York money, rather than a lender upon call.

Canadian bankers have been considering the advantages of borrowing in the New York market, as against direct loans from the federal government. The "cheap money" in the United States which has been brought about by a variety of conditions at the present moment, is believed to be very much to the advantage of the Canadian banker. An executive officer of one of our banks who has been studying the situation which has been developing, expressed the belief to THE FINANCIAL POST that the New York agencies would thus be called upon to perform a somewhat unusual office in entering Wall Street as a borrower. This bank, in question, has already liquidated its loans with the Government at Ottawa and is preparing to enter the New York money market in the full belief that substantial saving will be effected.

The Canadian banks who have been borrowing from the Dominion Government, have been paying five per cent. for funds. It is the belief of the executive officer with whom THE FINANCIAL POST discussed the situation, that New York borrowings can be effected at a saving of a full one per cent. Such a saving would amount to a substantial sum in a year's time. This particular bank has been borrowing upwards of $10,000,000 from Ottawa. A saving of one per cent. on $1,000,000 secured in New York, obviously would net a $100,000 per annum "profit" to the Canadian borrower.

The exchange problem enters into the situation, of course, but the "risk" in this respect is regarded as nil. Whatever exchange the borrowing Canadian institution was called upon to pay in contracting a loan of American funds, would be counteracted when this loan was paid off. If the Canadian borrower saw that the discount was going against him, on his borrowing operation, he would immediately hedge by buying futures.

Competition From Russian Wheat Not Serious Prospect This Year

Strong Evidence Exists, However, That Soviet Republics Will Shortly Have Sufficiently Large Export Surplus to Affect Prices Materially

I have been asked to give a statement of the known facts regarding the possibility of large quantities of Russian wheat being thrown this season into the international market by the Soviet Government. Some of the representatives of that government have been predicting that this year or at latest, next year, wheat would be exported from the Black Sea ports of Odessa and Nicolaiev in such vast quantities that the export wheat trade from the United States and Canada would be completely demoralized. What justification is there for statements of this kind?

Before the Great War, the statistics of cereal cultivation in Russia were probably the most carefully compiled and the most accurate in the world. They were collected and summarized by competent agronomists and they were based upon repeated agricultural surveys. In no other country were the statistics of cereal production so reliable and so exhaustive. This condition has completely altered. The competent statisticians are dispersed abroad. The agronomists who managed the great estates upon which the whole of the wheat prepared for export was grown have been killed or are now in exile. The harvesting, threshing and elevator systems have been destroyed. The railways have been suffered to fall into ruin and the financial and commercial mechanism by means of which the wheat was exported has been wiped out of existence. To what extent have the railways been restored? To what extent has the Soviet Government replaced the managers of the estates? To what extent has the Government been able to organize a new financial and administrative system to replace that which it destroyed? These are very difficult questions to answer; because the area of Russia is enormous and the operations of the Government so shrouded in mystery that a reliable summary of the situation is impossible. At the same time there seems no reason to doubt that the Moscow Soviet has been working practically to bring Russia back into something like economic order out of the chaos into which the disastrous attempt to introduce a compulsory and universal as well as a hybrid system of state collectivism and communism had plunged the country.

The following data are taken exclusively from official publications of the Soviet Government. The reliability of these statements cannot be guaranteed but even as they are they show that up until the present time the pre-war standard of production has by no means nearly been reached and that although sudden expansion is not impossible, there is no reason to feel confident that any such expansion will occur.

Up until the year 1913, the production of wheat formed on the average

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ROBB TO BORROW WHERE RATES ARE MOST FAVORABLE

Summer Flotation in New York Forecast at Ottawa

From Our Own Correspondent.

OTTAWA.—How much money the Government will borrow this year in the form of a public loan will have to wait on the announcement of Hon J. A. Robb. The report that it would make a loan of $300,000,000 was based on the bill submitted to the House asking for authority to borrow this amount. But it by no means follows that this amount will be borrowed during the current year. The practice has been to ask for authority to take care of issues retiring not only during the current fiscal year but over a longer period. This enables the Government to take advantage of favorable developments in the money market.

There is a war issue of $107,000,000 maturing this fall, which must be provided for. Temporary loans also amount to a little over $91,000,000. Whether it is the intention of the Government to clear all these off remains to be seen. In testifying before the banking and commerce committee, deputy minister of finance Saunders said that he favored the retiring of such loans as soon as possible. On the other hand if an appreciable further drop in money rates is in prospect it would not be advisable to make haste in this matter.

The new loan cannot be put out until after Parliament rises, that is, until after the middle of July. It is not considered that its appearance will, as usual, be delayed until fall, for the impression is that New York is more relied on than is the home money market. Parliament and the Government is being much impressed by the large savings that are being effected by the United States government through its refunding operations. In this connection a recent report from Washington saying that the United States would save $22,000,000 a year in interest on refunding operations this month, has attracted special attention, and the question is being asked if the United States government can make large savings like this why can't Canada do something similar?

The Dominion loan will be in addition to the requirements of the Canadian National Railways, which are put by the Minister of Railways at $65,000,000 this year. Any borrowing done by this system will be on the Government's guarantee. It, too, will have to wait on enabling legislation, but the loan is unlikely to be delayed much after this is given.

Where Protection Means Jobs

Canadian machinery manufacturers are making a strenuous effort under difficult conditions to keep their plants operating and workers employed and are getting little or no profit, if they are not in fact losing money. But in some cases they are making a splendid showing so far as products are concerned. Here is a typical instance. During the period of acute unemployment in Toronto last winter the John T. Hepburn Company, which made an enviable record as a producer of shells during the war, determined to secure the tender for a crane being purchased for the Toronto civic yards. Mr. Hepburn saw an opportunity to provide some extra work and at the same time demonstrate Canadian ability to make the machine required; thus when the tenders were opened by the board of control that of his company was the lowest, being between $2,000 and $3,000 under the next tender. Even then it was not until Mr. Hepburn gave adequate assurance that he could deliver the goods that the order came to Canada.

The tender of the Hepburn Company on this job was designed to get the order. The price involved a considerable loss to the company, but prestige, which would result in further business, was hoped for. The Hepburn figure was $11,907, and the three American tenders were $14,765, $17,790, and $21,379. The task involved securing additional plant. Labor was provided for four months for a number of men at good wages.

The new crane has now been placed in commission; it is the first to be built in Canada and is an impressive piece of machinery. Its production means for Canada a new industry—the foundation for which has been successfully laid—if reasonable tariff protection is provided. In the United States at some of the plants where cranes are manufactured they are the sole product, according to Mr. Hepburn, and it is stated that it has cost as much as $175,000 to make the first crane at some of these plants.

The Hepburn Company has made a considerable investment in this new undertaking and is looking to Ottawa to provide a tariff which will permit the upbuilding of a new industry to provide employment for Canadian labor and help to make a return upon invested capital.

The fact that Canada's tariff policy does not provide adequate protection for the manufacture of such machinery and equipment in this country is not the fault of the Canadian people. They are being successfully educated to believe that tariff reduction is a good thing for the country. The situation reflects the short-sighted policy of a small group of manufacturers who have been dictating the policies of the Canadian Manufacturers' Association and have given the impression that protection is merely something to aid the manufacturer to gouge the consumer.

ORE MOVEMENT BIG FACTOR IN RATES ON GRAIN

Should be Plenty of Tonnage Offering This Year

LEGISLATIVE CHANGE

Every Shipper Must File Contract Before Loading—Onus is on the Shipper Rather Than Boat Owner

From Our Own Correspondent.

OTTAWA.—The changes that the Government proposes to make in the lakes freight rates legislation are disclosed in a bill now before the House. It will be recalled that the act passed last year provided that shipowners making contracts for the movement of grain down the lakes must file a copy of the same with the grain commissioners. As will be remembered, the refusal of American vessel owners to work under this provision produced such a situation that the government had to suspend it and give assurance that those who went contrary to its provisions should be indemnified against loss.

The proposed change is to the effect that every shipper shall file with the grain commissioners a copy of any charter or contract entered into for the shipping of grain, and that this shall be done before loading takes place. Provisions requiring the posting up of statements re cargoes, of space, destinations and shipments, covered in section 6 of the act, are repealed. It will be seen that the onus is placed on the shipper, rather than on the ship-owner for the filing of contracts, this being the method finally adopted last fall.

Some who follow the lakes freight rates here are concerned that, after all, economic causes are a more powerful factor than legislation in fixing these. They contend that the experience of years shows that the rates charged on shipments of grain bear a certain ratio to those charged for the movement of ore. That is when there are plenty of ore cargoes offering, and the rates are good, the rates on grain shipments are bound to be higher.

With the demand for steel falling off to the extent that it is in the United States this year, which means a much reduced demand for iron ore, the expectation is that lake grain rates will be low. This reduced demand for ore tonnage is having its effect even now, which may be seen in the great volume of grain that is going from Fort William and Port Arthur to Buffalo.

Cheap American Money Finding Way to Canada

There is the heavy buying of Canadian bonds in New York for investment in Canadian securities, and also, it is said, in anticipation of Canadian financing in New York. Owing to the unusually cheap money in the States, bankers and investers are seeking employment for their surplus funds elsewhere. The situation is one which is working greatly to the advantage of this country in that it has the same effect as large scale advertising. When American funds flow into this country in large quantities, the owners of the money naturally take a greater interest in Canadian conditions and become better acquainted with the opportunities for profitable investment here.

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Crop Reports

AS in previous years, the Bank of Montreal will publish during the season frequent reports on the progress of the crops.

These crop reports are telegraphed to various centres, from which they will be mailed free to all who require them.

Application to be put on the mailing list may be made in person or in writing at any Branch of the Bank.

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Established 1832

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Reserve Fund	19,500,000
Total Assets	220,000,000

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J. A. McLEOD, General Manager.

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CENTRAL CANADA LOAN AND SAVINGS COMPANY

Toronto Peterborough Oshawa

Established 1884

The Business Outlook

PRAIRIE PROVINCES WILL REAP BENEFIT FROM PRICE RISE

Better Feeling in West Now Being Induced by Prospects

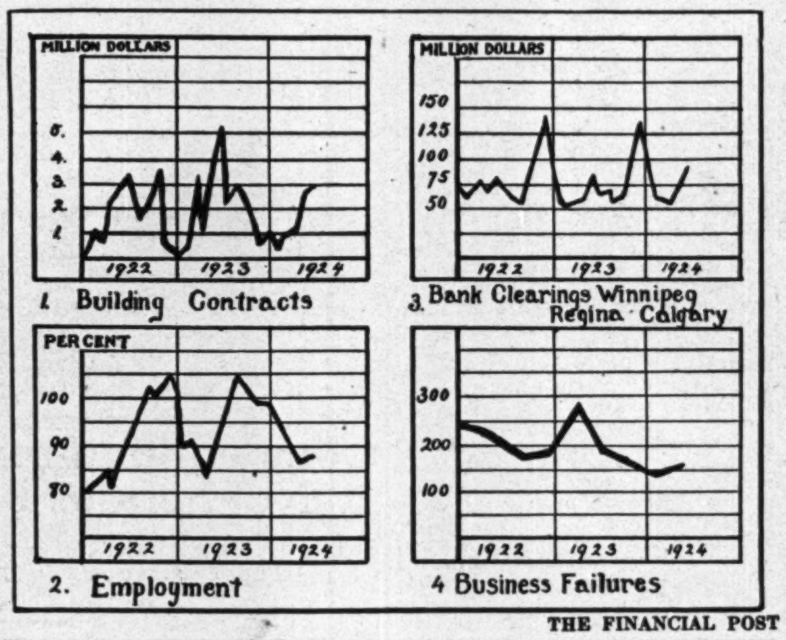
The level trend of business which has existed throughout the prairie provinces for more than two years is illustrated by all four charts shown below. Building has had a decided seasonal movement, but the decline due to overbuilding, which is notable in the more thickly-peopled parts of the country, is not in evidence. This year's building contract figures are starting off precisely as during the last two years.

Bank clearings in the prairie provinces have moved sidewise, as has been the case elsewhere in Canada, the expansion for crop moving purposes being particularly noticeable. The present position is somewhat above that at this time during either of the past two years.

Failures have shown a moderate but significant decline during the past two and a half years, while the employment situation has improved marginally.

The most important factor affecting western business is the current upward movement in grain prices. Since the abnormal war demand ceased to bolster up the prices of farm products, Western Canada has suffered in all branches of business, but the new set of conditions now becoming operative promises to adjust the situation, and a much better feeling is already developing throughout the prairie provinces.

NEXT WEEK—CONDITIONS IN BRITISH COLUMBIA.



THE FINANCIAL POST

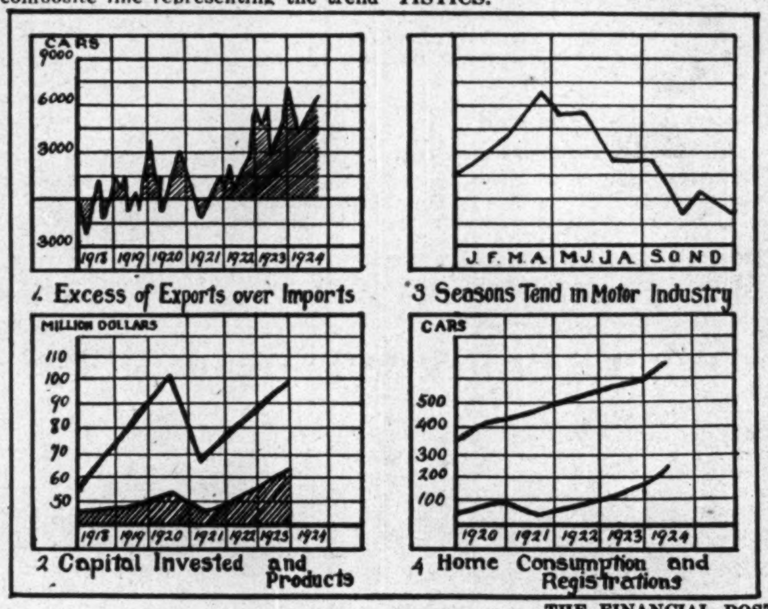
The Automotive Industries

The phenomenal rapidity with which the motor car industry in Canada has developed into one of the leading enterprises of the country, and one which produces $100,000,000 worth of cars annually, needs no comment. The point of interest, however, is whether or not over-production exists at the present time. In the United States there are strong evidences that the industry has been producing somewhat beyond demand. In some of the older countries, the automotive industry is at present in danger of reaching a saturation point, as far as consumption is concerned. In Canada, however, the domestic market is steadily expanding, and new foreign markets are constantly being added. The home market is being expanded by such factors as the development of the automotive transport industry for passenger service and also for freight, especially of less than carload lots, the increase in the mileage of good roads, and the increasing use of motor cars during the winter.

Chart 1 illustrates the rapid development of our foreign business in motor cars. Above the central line is the excess of exports over imports, and below, the excess of imports. Chart 2 shows the annual value of motor car products in Canada, in comparison with the capital invested in plant and equipment in the manufacture of automobiles. Chart 3 is a composite line representing the trend of activity in the automobile industries during any normal year. It shows that the industry is at its height about April, and wanes from that time to the end of the year. Output, exports, employment, and so on, follow this general trend. The fact that there is less activity in the industry during the latter part of the year should not, therefore, be taken as indicative of declining business. It is merely a seasonal movement. Sales plotted alone show an upswing also about September, but in the composite, this has been overruled by the other factors. Chart 4 illustrates the steady increase in the number of motor cars registered in Canada, and also the home consumption of new cars. The latter is computed by adding production and imports and deducting exports. The difference between the two lines shows roughly the number of used cars in use during the period.

Automobile sales for the first quarter of the present year showed a marked increase in British Columbia, and some improvement in the prairie provinces. Owing largely to backward weather conditions in Ontario, sales fell off somewhat from the 1923 record, and this was also the case in Quebec and the Maritime Provinces. Despite this, automobile dealers look forward to a satisfactory business in 1924, taking the year as a whole.

NEXT WEEK—RAILROAD STATISTICS.



THE FINANCIAL POST

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Austria.—The preliminary draft of the new Austrian customs tariff bill has just been submitted to the council of ministers by the minister of commerce. The draft will in turn be submitted for approval to the various economic and trade organizations, which will have 10 days within which to voice their respective opinions. It is understood that the bill will be discussed in parliament at the beginning of July and that the law may be passed before the summer vacations. Indications point to a highly protective tariff, which will affect many articles imported.

Italy.—By a royal decree, machinery parts, metallic materials, and explosives for use in the coal mines of Istria will be exempt from import duties for a period of five years. This exemption applies only to first installation of machinery or equipment, and may be obtained only upon application to the minister of national economy and the minister of finance by the companies proposing to make such importations.

Ottawa.—Linn logging tractors when for use exclusively in hauling pulpwood cut in four-foot lengths within the timber limits of the logging company declared to be entitled to entry under tariff item 453b, a certificate as to the use of these tractors to be made on the face of the entry.

Denmark.—According to proclamation the importation is prohibited of:

(a) Footwear in the manufacture of which pasteboard is used.

(b) Footwear in the manufacture of which artificial leather, pasteboard or chemically prepared fibre pasteboard is used for other purposes than:

(1) Filling up the bottom, cambering and strengthening the insole under the heel and toe.

(2) In the heel, but no nearer the top layer than 12 mm.

(3) For the toe-cap and for strengthening the insole in footwear with cloth tops or partly cloth tops.

OUTPUT CURTAILED IN NEW ENGLAND

Consumers Restricting Purchases—Farm Buying Depressed

BOSTON.—Pronounced ease in the money market indicates clearly the lack of demand for funds for commercial purposes, according to the First National Bank of Boston. The very low rate of business activity is reflected in the Government's heavily oversubscribed offering of 2¾ per cent. six months' certificates, a reduction to 3½ per cent. in the New York and Boston rediscount rates, and in current call money quotations of 2 per cent. and less.

The curtailment in manufacturing, which for months has been acute in New England textiles, has spread in recent weeks throughout the country and affected nearly every branch of industry. In addition to reductions in output, amounting to around 50 per cent. in woollen manufacturing and considerably more in cottons, there is drastic curtailment in shoe manufacturing. The steel industry has lately rapidly shrunk its opertions to approximately 50 per cent. of capacity, a tremendous and most significant change. Railroad buying has dwindled and motor makers are reducing output to fit the demand,—35 per cent. being a not unusual restriction.

Retail trade is very backward, partly due to unseasonal weather and partly to distinct sales resistance to present prices. Consumers are restricting purchases to a marked degree, while retailers and wholesalers decline to carry stocks.

The manufacturer, facing slackening demand for goods, and high labor and material costs, prefers to curtail or shut down. Hence, increasing unemployment and a beginning of informal wage reductions. This movement has made considerable headway in New England. Horizontal wage cuts are not yet being consummated; in fact, strikes have resulted from such attempts. The same objective is being reached, however, by regrading and reclassifying work, labor preferring to work at less than schedule rates rather than not at all.

Fundamental conditions are stated to be sound, but a readjustment is taking place, of which the present depression in business is a necessary and promoting factor. The agricultural population, long at a disadvantage in purchasing power, continues to buy sparingly. This has now affected the demand for finished goods to such an extent that unemployment in industrial centres is important. This movement has been aggravated by an exodus of labor from farms to city during the past year, estimated as high as a million workers. The pressure for lower industrial wages is very great.

EXPORTS OF FLOUR SHOW BIG INCREASE

Fordney-McCumber Tariff Fails to Keep Canadian Wheat Out of U. S.

From Our Own Correspondent.

OTTAWA.—A gratifying feature of the foreign trade situation is the large increase which is taking place in flour shipments. Last month, exports of flour were larger than in any May since Confederation. The total was 1,057,487 bushels as against 644,725 during May, 1923.

During the nine months ending May 31, flour exports exceeded those of the same period last year by more than 1,000,000 barrels. It is a matter of interest that less of our flour is going to the United Kingdom, the total during the curent crop year being 415,000 barrels less than for the same period last year. Sales, however, to countries other than the United Kingdom and the United States increased from 4,625,911 barrels during the first nine months of last crop year to 6,364,633 barrels this year.

That the duty of 42 cents per bushel is not keeping our wheat out of the United States is apparent from the May export figures, which show shipments of 1,613,000 bushels as against half that amount last May. During April the tariff would seem to have been effective, but as soon as navigation opened it became evident that the United States required our wheat.

BUSINESS WATCHES PRICE MOVEMENTS

More Important Than Politics is Opinion Expressed by Bache Review

NEW YORK.—Average wholesale prices for May are 6 per cent. below those of May, 1923, according to the report of the Bureau of Labor Statistics. There has been a gradual downward trend in the average during the year, but while in every group prices have declined below those of a year ago, among the groups themselves there has been an evening-up process of a very satisfactory character, because the declines have been the most pronounced in those groups which were highest above the pre-war level. The decline for farm products amounted to only 2 per cent., while that in building material was 11 per cent., house furnishings 8 per cent., and cloths and clothing 7 per cent. The farm readjustment problem is slowly solving itself.

"So much depends upon what can be obtained for a thing made, mined, or grown, compared with the cost of producing it, that the course of prices is perhaps, especially at the present time, the most carefully watched of any of the fundamental movements which affect the wellbeing of the country. Even politics takes a second place," says The Bache Review.

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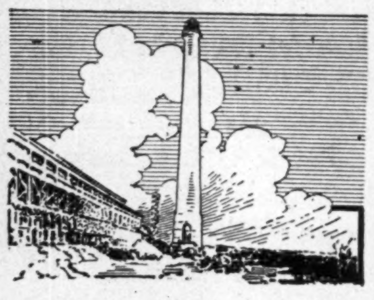

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CANADIAN TRADE GROWS STEADILY; MAY GOOD MONTH

Big Increase in Exports; Over $30,000,000 for Month

MILLION A DAY

Export Trade in May a Million a Day Higher Than a Year Ago

From Our Own Correspondent.

MONTREAL.—Business men have every reason to be encouraged by the promising figures of Canadian trade. Month by month, Canadian foreign trade is advancing, and in the first two months of the present fiscal year has shown an increase of small but satisfactory dimensions over the figures for the similar two months a year ago. Canadian exports in May, 1924, were a million dollars a day greater than in May, 1923.

The balance of trade is favorable to Canada, and it is not without significance that in the month of May the favorable balance of trade was greater than in any month of May since 1917. This favorable balance was $22,000,000 in May, and $20,500,000 net for the first two months of the year, as against a debit balance of $9,500,000 for May, 1923, and a debit balance of $24,000,000 for the first two months of the fiscal year 1923-1924.

Following are the exports and imports for the month of May, and for the two months of the fiscal year ending with May, with comparisons:

	May '24	May '23	May '22
Exports	104,150,715	74,814,554	69,146,171
Imports	72,247,330	84,265,266	66,121,374
Balance	x21,903,385	† 9,450,712	x 3,024,797
Total trade	177,558,397	160,314,516	136,580,094

x—Favorable.
†—Debit.

Two Months Ending

	May '24	May '23	May '22
Exports	153,031,629	128,456,805	101,063,671
Imports	132,450,471	152,446,586	113,816,829
Balance	x20,581,158	†23,989,781	†12,753,157
Total trade	287,279,982	282,823,922	216,927,580

x—Favorable. †—Debit.

Among the exports during the month under review, when compared with May, 1923, the most remarkable change is shown in agricultural products, value of exports showing an increase of nearly 33 millions. Value of exports of forest products are lower by about 1½ millions, while the other changes are for the most part unimportant.

Imports for May show a drop of 12 millions, when compared with May of 1923. Among the most important changes, are a decline of two millions in the value of the imports of agricultural products, a drop of 2½ millions in the value of imports of textiles, etc., and a drop of over three millions in value of iron and steel imports. Value of imports of non-metals are lower by three millions.

Following are the exports for the month of May in comparison with those for the corresponding month of last year:

May Exports

	1924	1923
Agric. prod.	$ 57,442,446	$ 24,866,726
Animals, etc.	8,443,226	9,057,988
Textile, etc.	862,294	897,208
Forest prod.	20,909,383	22,549,600
Iron and steel	5,016,716	5,466,056
Other ores	6,740,342	6,349,123
Non-metals	2,001,309	2,424,655
Chemicals, etc.	1,236,844	1,468,998
Miscellaneous	1,508,155	1,734,200
Totals	$104,150,715	$74,814,554

Following are the imports for the month of May compared with those of the corresponding month of last year:

May Imports

	1924	1923
Agric. prod.	$ 17,048,161	$ 19,030,544
Animals, etc.	3,625,409	3,894,947
Textile, etc.	12,504,260	15,020,357
Forest prod.	3,424,342	3,696,348
Iron and steel	14,921,567	18,136,659
Other ores	3,772,662	4,209,278
Non-metals	10,738,797	13,626,885
Chemicals, etc.	2,257,879	2,600,954
Miscellaneous	3,954,263	4,049,294
Totals	$ 72,247,330	$ 84,265,266

Canada's 1924 Trade

A report has been issued by Ottawa on the trade of Canada during the 1924 fiscal year. It points out that with Canadian exports totaling over a billion dollars for the fiscal year, 1924, a new high record has been established in the Dominion's international commerce. While exports reached the billion dollar figure during each year from 1917 to 1921, this was achieved under abnormal war-time demands or the peak prices of the post-bellum boom, and thus cannot be considered a reliable index of the expansion of the country's productive powers.

For the fiscal year 1924 Canada's domestic exports reached a total of $1,045,100,000 and foreign exports $13,400,000, making a total export of $1,058,500,000. Inasmuch as during the same period the imports amounted to $893,400,000, the Dominion's favorable trade balance was more than $165,000,000. Compared with 1914, the exports of Canadian produce in 1924 shows an increase of $613,500,000, or 142 per cent., and the imports an increase of $274,200,000, or 44 per cent., while during the same interval the trade balance shows a betterment of $328,900,000.

The variety and capacity of Canada's manufacturing industries are constantly increasing. Numerous commodities of commerce in Canada that, a few years ago, were wholly imported, are now produced in the country in sufficient volume for the home demand and are also being exported in quantity, while certain very large manufactories are chiefly engaged in supplying foreign markets.

While it is true that Canada continues to export large quantities of raw materials, it is a notable fact that the increase in the quantities of raw materials used in her manufacturing industries in recent years is much greater than the increase in the exports of these products. Just prior to the war the proportion of fully manufactured products imported into Canada was 68.9 per cent. of her total imports and for the United States 36.6 per cent., but in 1923 the proportion for Canada was 61.9 per cent. and for the United States 32.9 per cent. Canada and the United States are both steadily increasing their exports of partly and fully manufactured products, while the exports of raw materials for the two countries show a downward tendency.

REVIVE CHARGES OF DISCRIMINATION BY CANADIAN VESSELS

Manitoba Wants Coastal Laws Suspended for Balance of Season

WINNIPEG.—As another grain shipping season approaches, the attack on grain rates from the head of the lakes is revived. Discriminatory charges, which have been freely made in season and out, and which resulted in the appointment of a commission of enquiry and the temporary suspension in 1923 of coastal rates, are again being made. The strongest point advanced is that having to do with the building up of a tremendous milling industry at Buffalo. The question is raised: would this industry come to Canada if the alleged discriminatory rates were impossible?

The contention is that the United States boats carry grain down the lake for about a cent or over less per bushel than the Canadian vessels charge on shipments to Canadian ports. Canadian vessels carry grain to United States ports at a lower rate than they charge to Canadian ports, despite the fact that the distance to the United States ports is greater. Often it is stated the Canadian vessels themselves make the lower rates.

The Winnipeg Free Press has this to say in its latest attack on the Canadian grain rates:

"There is a Canadian mill at Port Colborne, just eighteen miles from Buffalo. This mill has to get its supplies of Western Canadian grain by Canadian boats, because of the shipping regulations; and these boats patriotically charge at least a cent a bushel more than they charge for carrying the same wheat to its American competitor in Buffalo. If the coasting regulations were suspended these discriminations against Canadian mills, Canadian ports, Canadian railways, would at once disappear. It might fairly be predicted that the rate to the bay ports would drop below the Buffalo rate; and those ports would begin to come into their own. Canada's experience has been extensive enough to justify the passing of judgment upon our Canadian shipping companies. They have no sense of any obligation to the people of Canada in return for the monopoly privileges they enjoy. Their one concern is how to take advantage of their privileged position to add to their revenues. That in the pursuit of this advantage they favor Buffalo as against Canadian ports and discriminate against Canadian industries in favor of their American competitors concerns them not a jot."

Power to suspend the coastal laws in case of discrimination, is invested in the Board of Grain Commissioners. The Free Press wants to see the government act by making a formal suspension for the balance of the shipping season.

EUROPE CAN'T BUY, FARMERS ARE TOLD

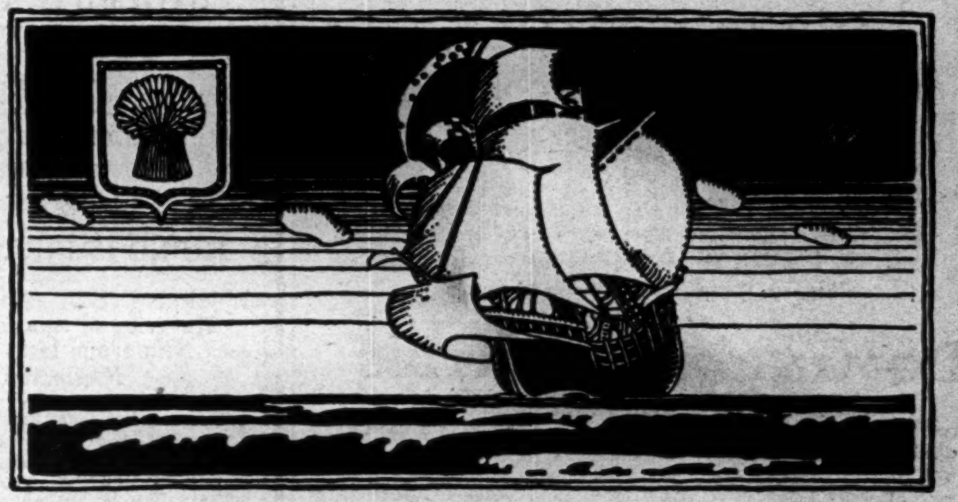
U. S. Institute of Economics Says Ending of Their Ills Lies in Readjustment at Home

The U. S. Institute of Economics, after a survey of European needs for agricultural products, purchasing power and competition, announced its conclusion that it would be equivalent to building on quicksand for the United States to plan its agricultural future on the assumption that Europe may be induced to buy large quantities of American foodstuffs at higher prices than now prevail.

"The limited European market which now confronts the American farmer," says the Institute, "is the result of conditions which were developing even before the war. About the turn of the century American agricultural exports began to decline, owing to a combination of influences. European countries were increasing their own production of foodstuffs, and the competition of Canada, South America, South Africa and Australasia for the European markets was increasing. At the same time, the growth of our own domestic market was lessening our exportable surplus.

The Great War reversed this current for a time. Not only were the European demands for foodstuffs increased; but, in consequence of the shipping problem, the United States became the most available source of supply. In response to the increased demand and to the cry 'Food will win the war,' food production was greatly increased. Prices were high and unprecedented prosperity came to our farmers, resulting in the disastrous land boom with which all are familiar.

"To-day the pre-war trend of decreasing exports has been renewed in intensified form. Europe's agricultural production is being restored faster than her industry, and, consequently, than the buying power of her cities. And the competition of rival producing areas is keener than ever before. The whole economic tide is against an increase of European demands and high prices for American foodstuffs in the immediate future. The solution of the farmer's ills must therefore be sought in internal readjustments to a changed world situation."



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RETROACTIVE TAX MEASURE OF B. C. HAS BEEN UPSET

In the Meantime U.S. Mine Operator With Large Development Plans

WENT BACK 5 YEARS

From Our Own Correspondent.

NELSON, B.C.—British Columbia failed in its attempt to collect income tax from non-resident mine owners, after having accepted a lump tax in those years in lieu of all other taxation. The Supreme Court of Canada granted the appeal of United States Senator William Kent of California, against an assessment for income tax on income earned by him as owner of the Surprise mine at Sandon, in 1915 and 1917.

Whether this means that the legislation on which the province based its claim is ultra vires, or merely that the province's law officers made a wrong application of it, is not yet known. The decision, however, reverses that of British Columbia court of appeals, which upheld a local court of revision, which confirmed assessments on which the provinces in 1922 sought to collect income taxes of $7,000 for 1915, and $17,500 for 1917.

Unless the province appeals to the Privy Council, this ends a historic fight by the American senator and Kootenay mine operator. The Senator, in partnership with "Surprise" Smith, so-called from the famous raise he drove in the Surprise silver mine at Sandon, in the Slocan district, operated the Surprise mine for some 20 years, carrying on development for many years with no returns, until finally the ore was opened up in the long raise, and shipment on a large scale started. When the value of the property was proven, Kent bought out his partner, and became sole owner. In the years 1915 and 1917, he made considerable profits on his operations, and paid the usual 2 per cent. tax, which, under the Taxation Act, was in lieu of all other taxes, his payments being around $13,000 for the two years. This was then the only tax due from him, as non-resident mine owners were not then required to pay income tax. Subsequently, he incorporated, becoming the largest shareholder in the Rosebury-Surprise Mining Company.

In 1918, under the new Liberal administration, an amendment was added to the Taxation Act making non-residents liable for taxes on income derived from mines in the province. Then a further amendment was enacted in 1920, making the provision retroactive for the previous five years. This took the legislation back far enough to take in Senator Kent for the years 1915 and 1917, for which years he had already paid such taxes as were due under legislation existing at the time of his operation.

When the assessments were made against him, he appealed to the Court of Revision, at Kaslo, B.C., where James O'Shea, K.C., of Nelson, sitting as judge, confirmed them. He appealed to the B.C. Court of Appeals. The appeal court, however, held that the 1918 amendment of the Taxation Act made a non-resident liable for taxes on mining income, and that the 1920 amendment made this retrospective, so that the Government could tax a non-resident for such income derived within the period sought to be covered.

A result of the Government's attempt to collect this tax was that Senator Kent, who was planning larger commitments in British Columbia mining, as a result of his success with the Surprise, halted a big promotion he had under way, and is withdrawing from this investment field.

Many other American owners of British Columbia metalliferous mines were in the same boat with the California senator, but whether the present decision can help those who let the appeal period lapse, and failed to fight the Government in the courts, is not at this moment clear.

The right of the province to impose an income tax on incomes of non-residents derived from mines was not, of course, in question, but only the right to tax retroactively, after the lump tax demanded by the statutes of the day had been accepted as settlement of tax liabilities.

A general reduction of mine taxation in this province is widely urged, and believed to be imminent, and a mining deputation from all parts of the province waited on the premier on this matter on the very day (Friday, June 6) that the Supreme Court's decision was written.

No Compensation for Ills Contracted While at Work

Disease contracted in an industry does not entitle the worker to compensation under Quebec's Workmen's Compensation Act. Accidents alone make an indemnity claim possible. This important decision to Quebec industry has been handed down by Sir Francois Lemieux of the Superior Court. Two lumberjacks contracted typhoid while employed in the camps of Brown and Co. They claimed half-pay during the period of confinement, contending that the water in the camp was responsible for an outbreak of 15 cases. While the court held that their case was not proven, it was added that the award could not have been collected even if proved.

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News and Views for Investors

DULUTH-SUPERIOR

The people of Duluth have instructed the municipal authorities by plebiscite to curtail the ramifications of the jitney traffic. Friends of Duluth-Superior Traction forced the issue, and as a result of the vote this stock is in much greater favor. Jitney competition has cut seriously into the earnings of the company, and for a time it looked as if the service would be impaired. This aroused some of the citizens, and the plebiscite resulted.

ENGLISH ELECTRIC

Directors of English Electric of Canada will soon announce the date of the annual general meeting of shareholders. They will also pass upon the financial statement for the year ended Dec. 31, 1923. Profits will show an improvement over the previous year, and the company's strong liquid position has been maintained. Gordon F. Perry, president, and one other director, recently paid a visit to London in the interests of the company, and should have some interesting remarks to make to shareholders at the forthcoming meeting.

CANADIAN CONNECTICUT COTTONS

The usual quarterly dividend of 2 per cent. on Canadian Connecticut Cottons' 8 per cent. preferred shares has been declared, payable July 1, 1924, to shareholders of record June 14. It is stated by "Investment Items," published by the Royal Securities Corporation, that the company's strong liquid position, as disclosed in the last annual report, remains but little changed, and that if the tire market improves during the summer months, as is anticipated, the company's earnings should be substantially increased. The company manufactures cord fabric for automobile tires.

TORONTO RAILS

Indications are that the battle between City of Toronto and Toronto Railway Co., over payment for the street railway will be for the most part, settled this week. The hearing of the appeal is about through. There is a feeling that there will be no delay in the court giving its decision while others have been so bold to go so far as to predict the result, seemingly on the remarks of the judges during the first half of hearing. This is by no means a safe basis to go on, as in the hearing of the other side the remarks may be just as pointed. However, such a prediction, that the company would win, was evidently what some were looking for, as the stock sold up to a new level 98½. The next move, it is being predicted, will come with the judgment.

SMELTERS EARNINGS

Earnings of Consolidated Mining and Smelting are reported, for May, to be around $20,000 daily, or on a basis of $7,000,000 yearly, and developments are not as yet complete. This compares with a net of $4,136,838 last year, but is just about keeping up the development pace of the last couple of years as shown by the fact that the 1922 figures were $2,753,632, and 1921, $934,128. Depreciation and bond interest charges amount to slightly under $2,000,000, and taxes and loan interest another three-quarters of a million, leaving better than $4,000,000 for dividends, compared with $1,681,000 last year. This is at the rate of $9.50 a share while the present dividend of 6 per cent. means the distribution of $1.50 per share, or $632,000.

WINNIPEG ELECTRIC

Unseasonable weather and slowing up of business is the reason advanced for the decline in the net earnings of Winnipeg Electric. The fine weather of last fall evidently caused many Winnipegers to walk instead of ride the cars as the company noted a decline of 2,000,000 in passengers carried. Incidentally the mild weather hit another branch of the companies activities, the gas department, as sales were off considerably also compared with previous cold falls, the decline being 56,000,000 cubic feet. Sales of electricity were also affected, as individual industries and mercantile establishments, on account of operating with reduced staffs or being idle, used less power and light than is required to meet their normal demands. Additional power contracts for 27,000 h.p., however, offset these reductions and established a new record for electricity output. The new plant at Great Falls provided sufficient power to meet all demands without using the steam plant under peak loads.

CUBAN CANADIAN SUGAR

Cuban Canadian Sugar concluded its grinding operations for the season on May 3rd, with a total outturn of 181,703 bags, as compared with 165,722 bags last year. Of the current year's production, over one-half has been sold at prices substantially higher than the present quotations for raw sugar. The recent action of the raw sugar market has been due to the increasing estimates of the Cuban crop as grinding has progressed, the total outturn being now calculated at approximately 4,000,000 tons, as compared with 3,603,000 tons from last year's crop. The early estimates on this season's outturn ranged from 3,750,000 to 3,813,000 tons, and the subsequent increase has been due to a higher yield of sugar from the cane.

LIST PATON MFG. CO. SHARES

Paton Mfg. Co. stock is to soon be traded in on the Montreal stock exchange, unlisted section. This concern is now controlled by a group associated with Dominion Textile and is reported doing well. F. G. Daniels is president. Liquid assets total $880,316; current liabilities $346,992, and profit and loss $4,394.

CANADIAN EXPLOSIVES

Canadian Explosives report for the year ending Dec. 31, shows the company has improved its working position. Current assets showed an excess over current liabilities of $3,635,774, as compared with $3,297,508 the year before. The company reserves increased from $3,834,827 to $4,306,384, while the surplus stood at $212,533 against $197,005.

CITY DAIRY

Despite efforts to hold down City Dairy common, this stock has moved up steadily until it stands today with 49 bid and no stock offering. Orders placed "at the market" circumvented the brokers. It is not generally realized that a half point on the present stock really means a bid of two points on the old stock. One broker who is close to the company stated that he expected when the split in shares was made there would be considerable offering as the shareholders have just four times as many shares as they had before. This has not proven the case, however.

GIANT PAPER MERGER

Price Brothers, St. Regis Paper, the Belgo, Spanish River, St. Maurice Paper, Laurentides and subsidiaries or other companies controlled by these companies are subject of the latest rumor for a pulp and paper merger. There has been much talk of mergers of late and some of the above companies have been repeatedly mentioned, but it is the first time Price Bros. and St. Regis have been included. The report says the capitalization of the interests represented would reach nearly $300,000,000, and though operating together the merging interests would retain their indentities as companies.

RIORDON COMPANY

A possibility that is causing some considerable interest amongst students of the pulp and paper situation in Canada, is the absorption of the Riordon Company assets by the International Paper Company. A number of circumstances would indicate that the situation is approaching a climax and that some announcement may be expected shortly.

As will be remembered by those who followed the situation after the Riordon crash, a Boston lawyer, A. R. Graustein, was very active for a couple of years representing the first Mortgage Riordon bondholders. Mr. Graustein has just been elected to the presidency of the International Paper Company. The International policy is to gradually close up some of their smaller mills that are not profitable, or where possible turn them into power producing plants. This lost newsprint capacity will have to be replaced by expansion elsewhere.

Now comes the announcement that the International Paper Company is contemplating floating a $10,000,000 bond issue. What do they want with this money unless to make provisions for new limits and plants and is not the Riordon proposition just what they require, and liable to come to them at a fairly low figure, as there will be very few groups in a position to bid for such a huge property?

BARCELONA

Barcelona bond-holders at the meeting in London, gave approval of the reorganization plans. Canadian bond holders are mostly interested in change of the first mortgage bonds interest rate to 5½ per cent., payable in pesetas instead of in sterling as heretofore, with the principal amount remaining in sterling, an option to first mortgage bondholders to surrender their bonds for £20 in cash for each £100 par value, together with three preference shares of the company, converting the income bonds into first mortgage bonds in accordance with the voluntary transfer arrangement offered in 1921. The first option in connection with mortgage bonds gives bondholders an opportunity of speculation in the peseta exchange. At the present rate of exchange the return on the bonds is over 4¼ per cent. in sterling, which compares with 3 per cent., which has been paid during the past year. The option of taking cash and preferred stock may be exercised within a period of 35 days after the supplemental trust deed has been executed. The bondholders' committee, in laying the proposal before the company's security holders, gave the opinion that the execution of the change suggested would greatly enhance the credit of the company, and would relieve the anxiety inherent in an excessive funded debt, and the very large amount of interest payable in sterling.

BUYING OF GOOD STOCKS GOES ON QUITE STEADILY

Brokers Say That Few Shares of Stock in Investment Class Are Offering

TREND IS IRREGULAR

Weakness Still Apparent in Majority of Shares While Numerous Issues Are Neglected

The market continues irregular. The majority of issues remain weak but in many good issues there is an underlying buying strength which brokers say is not showing because there is little or no stock offering. Such stocks as City Dairy, Consumers Gas, Bell Telephone, and others regarded as being in the investment class, are standing up well. On the other hand, fair issues like Duluth Superior and Twin City are down and the cutting of a dividend from 6 to 4 per cent. is likely to weaken Howard Smith paper. As one broker put it, there is good buying on cheap money, just the same as at New York. The good stocks are, for the most part, being bought at "the market" and as a result are creeping up. When they get too high it is likely that attention will be diverted to some of the other stocks. Forced liquidation, brokers say, seems non-existent at the present time. The following quotations on the stocks mentioned show that they have held up well in the declining market, all four issues being above the price on June 1.

	May 1	June 1	Pres.
City Dairy	45	47	49
Can. Cement ..	87	87¾	87¾
Consumers Gas .	161	160	161½
Bell Telephone .	127½	129	131

"I am moderately bullish on the market outlook," said one leading Toronto broker, in giving his views on the market. He said he knew that in some lines business was bad, especially in the steel industry, which was at a low ebb. Nevertheless, he could see signs that the corner was being turned. Canada is all right. "It is a hard battle, but we will come out all right," he said. He was positive that there would be better business in the fall.

Some of the New York leading houses have become outstandingly bullish. They can see the market turning, and are so optimistic as to tell clients that they believe that the next serious reaction will be from profit taking. Hornblower and Weeks is one of these houses, and a Toronto house liked their letter so well they sent it to their clients. This says to buy, not minding subsequent recessions, expecting strong upward trends with only seasonal reactions during the next two years. They say:

"Simply avoid buying on top of rallies. There should be frequent reactions before the aggressive phase of the advance is reached. After buying, hold stocks until October, as there is little likelihood of another serious reaction until profits are being taken at higher levels just before election. Disregard news and gossip. Have faith in the market. Accumulation may keep it around current levels for some weeks, and we may have some more bad looking days, but we expect uninterrupted advance through August, September and October."

Bache Review looks for a continuation of the upward trend in tested securities with, in the end, a bull market with discriminating tendencies and, in due course, a recovery in trade. They say that there is ample evidence of a persistent investment buying.

The following table shows the trend of trading on the Canadian lists for the past week:

	Gains	Losses	Unch.	Tot'l
Banks	3	2	5	10
Paper	4	4	5	13
Steel	5	2	12	19
Milling	0	0	12	12
Utilities	3	3	10	16
Tractions	4	1	10	15
Textiles	2	1	9	12
Ind., etc.	5	7	58	70
	26	20	121	167

DOMINION STORES WAREHOUSE

Dominion Stores have acquired an old Canada Bread factory in Toronto, to be used as a storage warehouse. The price paid was $42,500.

DOMINION STORE EARNINGS

Dominion Stores report good business May sales being in excess of $900,000—a good increase over 1923. The new stores opened in Quebec are reported doing well.

Canadian Industrial Alcohol On Eight Per Cent. Basis

The declaration of 2½ per cent. on the stock of the Canadian Industrial Alcohol, Limited, for the third quarter of the company's fiscal year, places the issue on a regular eight per cent. basis. In the first two quarters, the declarations were 1½ per cent. each, and, according to the present rate, the declaration for the final quarter should be 2½ per cent., making 3 per cent. for the first half of the year and 5 for the second.

While the increase in the dividend rate was not unexpected, it was generally thought that it would be made later in the year. The stock was placed on the market in May, 1923, at $11 per share, the initial dividend rate being 4 per cent. At the close of 1923 a bonus of 2 per cent. was declared and at the beginning of 1924 it was placed on a regular 6 per cent. basis. The stock has been steadily advancing and is now selling above 30.

The company's fiscal year ends in September. In 1922-23 net profits amounted to slightly over $1,000,000. The balance sheet showed a strong working capital position with large cash holdings. The company is capitalized at $10,000,000, divided into 400,000 shares of $25 par value common stock. There is no preferred stock, while bonded indebtedness at September 30, 1923, was only $186,901.

Howard Smith on Four Per Cent. Dividend Basis

Howard Smith Paper has cut the quarterly dividend from 1½ to 1 per cent. Howard Smith, president, says that while business is not as satisfactory as could be desired, the company had been successful in increasing its profits for the first five months of the current year. He stated that while the demand for high-grade papers had fallen off, there was still a good market for the lower grades.

The necessity of pursuing a conservative policy by conserving the financial resources of the company had, however, dictated the desirability of a reduced dividend, although the amount required for the former had been fully earned and the financial position of the company generally improved. In the first five months of 1924, net profits before the interest, amounted to $324,758, as against $297,534 in the corresponding period of 1923.

TRAM POWER SHARES BEING DEPOSITED

Looks as Though Enough Will go Over to Swing Transfer to New Group

From Our Own Correspondent.

MONTREAL.—Passing of control of Montreal Tramways and Power Company to the new United Securities Corporation seems certain now. The plan under which Tram Power, together with Quebec-New England Hydro-Electric Corporation, goes into a new holding company was outlined last week in these columns. The new company, sponsored by Montreal Power and Shawinigan Power, has not yet got hold of a majority interest in Tram Power stock but shares are being deposited with regularity and a controlling interest is practically assured from the look of things at the moment.

It is understood that when the deal goes through Quebec-New England Company will practically disappear as a seller of power on the Island of Montreal. The properties will be operated by Montreal Power direct. This means the transfer of some 15,000 accounts for domestic lighting service.

Dominion Foundries and Steel Did Much Better

Dominion Foundries and Steel made a profit of $203,798 for the year ending Dec. 31, compared with a loss of $2,154 in 1922. After providing for depreciation to the extent of $140,000, interest and discount paid and accrued, including interest on bonds, $53,505, provisions for Dominion Government income tax, 1923, $1,000, and a portion of discounted bond expenses written off, $4,113, there was a balance of $5,179, which was added to profit and loss account. This brought the balance carried forward to the balance sheet to $489,929.

Current assets stand at $488,259, as against the 1922 total of $457,517, current liabilities, bank advance $34,000, reduced from $598,000, and bills payable, $309,516. The directors state:

"The liquid position of the company would be in excellent condition, provided the bank advances shown above were liquidated by the sale of $750,000 first mortgage 7 per cent. bonds. It is further stated that the plant values are five times the amount of such an issue, and the interest was earned more than four times in 1923. So far this year the earnings have been at the rate of more than five times the bond interest requirements."

The Profit and Loss account:

	1923	1922
Net profits	$203,798	x$ 2,154
Less		
Depreciation	140,000	......
Interest	53,505	80,853
Taxes	1,000	......
Bond expense	4,113	......
	$198,618	$ 80,853
Balance	5,180	†83,007
Forward	484,750	567,758
Profit & loss	$489,930	$484,750

x—Loss on operation.
†—Deficit.

A Reason for Confusion in Tramway Quotations

One of the issues on Montreal Stock Exchange that provides some little confusion in quotations is Montreal Tramways debenture stock. This stock is quoted "flat"; in other words a price quoted for buying and selling is the full price to be paid or received without any additions for accrued interest. In the case of other bond issues the price quoted is usually "X plus accrued interest." But with these debentures no allowance is ever made for accrued interest and so the debenture sells after interest dates "ex-interest." This is unusual in the case of an interest bearing security, although dividend paying stocks are regularly quoted "ex-dividend" after dividend date.

The reason behind the point of difference is that the Tramways debentures were originally drawn up in their present form to suit the British market where fully registered securities are in favor.

A Montreal bond man criticizes a couple of recent articles in these columns in which Montreal Tramways debentures and common stock were highly rated on the ground that no reference was made to Montreal first mortgage bonds, which are among the strongest securities that ever were issued by a Canadian company. The reason the bonds were not stressed is that they were sold in the New York market and while they are freely traded in across the line, they are not of particular interest to Canadian investors as are the debentures and the common shares. They find a ready market in New York, especially when bonds are active, when they sell up around 95 or so, which is excellent for a 5 per cent. security, but when bonds are weak they seem to sell off more than the average security, going down to 88 or so. They were overlooked, not because of any inherent weakness; with millions of dollars of equity and tremendous earning power behind them they must be ranked among the best of Canadian securities.

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Maple Leaf Milling's New System of Report

Changes in the method of compiling the annual report of Maple Leaf Milling, resulted in presenting the position of the company in a somewhat different light when the figures were compared with those of 1923. The 1923 table and that of 1924 are appended and presented in such a way as to show the true state of the profit and loss account for the two years. It will be noted this year that milling earnings and investment earnings are bulked and likely the income tax provision taken care of. The item of bank interest was wiped out and so this does not appear. On the other hand, two new items besides the dividends are deducted from the net earnings this year, one is bond interest on the new issue made during the year and the other a loss on a mill which was absorbed. Statements for both years show, that after taking care of all these charges and dividends, there was a deficit or a reduction in surplus account. It is to be noted that while the deficit this year is lighter than in 1923, this is just about counterbalanced by the reduction of $150,000 in common dividends. The revised figures follow:

Profit and Loss

	1924	1923
Milling profits ...	......	$ 384,456
From investments .	......	260,663
Total income ...	......	645,119
Interest	......	349,507
Income tax	......	59,772
Net earnings	$ 334,061	$ 235,841
Preferred div.	205,100	205,100
Common div.	50,000	200,000
Def. Mile End mill	37,304	......
Bond interest	65,063	......
Deficit	23,406	169,260
Bal. forward	1,664,852	1,834,111
Balance	1,641,446	1,664,852

CLOSE DOWN RAIL MILL

Algoma Steel Corporation rail mill has been shut down for an indefinite period, because of completion of orders. Business handled during the last four months showed a satisfactory profit.

Public Utility Earnings

NORTHERN MEXICO POWER

	April 1923	April 1924	Increase
Gross earn.	$ 46,098	$ 51,222	$ 5,123
Net earn.	33,327	38,081	4,754
For Four Months			
Gross earn.	$183,902	$217,926	$34,023
Net earn.	130,340	165,665	34,825

TRINIDAD ELECTRIC

April—	Gross	Net
Railroad	$15,735	$ 4,493
Light and power	15,559	8,143
Ice and refrig.	6,397	2,723
Miscellaneous	....	31
		$15,391

NEWFOUNDLAND LIGHT & POWER

For the three-months period ended March 31, 1924, earnings are reported as follows:

Gross earnings	$92,236
Oper. expenses	43,557
Net revenue	$48,679
Percent. op. exp. to gross earn.	47.2

SOUTHERN CANADA POWER

	May 1924	May 1923	Increase
Gross earn.	$ 83,841	$ 77,219	$ 6,622
Oper. exp.	39,455	34,911	4,544
Net earn.	$ 44,387	$ 42,307	$2,080
For Eight Months			
Gross earn.	$702,565	$624,685	$77,880
Oper. exp.	313,491	275,630	37,861
Net earn.	$389,074	$349,056	$40,018

OTTAWA LIGHT, HEAT & POWER

4 mos. ended April 30

	1924	1923
Gross rev.	$556,728	$562,310
Operating expenses ..	382,474	407,540
Net earnings	$174,254	$154,770
Bond and other int...	41,328	76,096
Balance	$132,926	$ 78,674
Preferred dividend ..	32,500	......
Balance	$100,426	$ 78,674

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
June 21	$3,301,000	$3,159,000	+ $142,000

CANADIAN NATIONAL RAILWAYS

Week End.	1924	1923	Change
June 21	$ 4,634,986	$ 4,611,953	+ $ 23,033
Jan. 1 to June 21	108,630,597	109,545,231	— 914,634

EMBARGO ON WOOD IS NOT PROBABLE

Long Delayed Report of Commission May Come Down at End of Session

From Our Own Correspondent.

OTTAWA.—There are many enquiries concerning the probable date of the appearance of the pulpwood commission's reports and its contents. Most of all there is eagerness to find out whether it is likely that an embargo on exports of pulpwood will be recommended. It is impossible to make a prediction as to the probable date of the report; but there is little to warrant the belief that it will come in sooner than two or three days before the close of the session.

As for the nature of the recommendations, the chances are that an embargo will not be recommended. This at least is the view that now generally prevails. There is inside information available, but the general nature of the testimony, the personnel of the commission and the demands of the political situation seem to indicate that as far as an embargo is concerned, there is nothing doing.

Some time ago a report went the rounds to the effect that a certain policy for one province and another for another province would be recommended. This would be all right insofar as regulations governing cutting, etc., are concerned, but an embargo on exports imposed by the federal authority would have to apply alike to all the provinces.

EXCHANGE HOLDING BACK NEEDED FUNDS

English Money Available in Great Quantities When Sterling Strengthens

Exchange has a bearing on immediate investment of English capital in Canadian mining and utility projects. Large sums of money are known to be available in England, but to make the change at the present time would probably involve a loss of about two years' earnings on the money. Hon. Chas. McCrea, Ontario Minister of Mines, says the funds are coming in a big way for Ontario mining, and S. A. P. Kitcat, of the financial house of Kitcat, Aiken, London, says there will be money available for sound public utility propositions. He makes the point that exchange must first right itself.

Mr. Kitcat's house has been interested in Canadian enterprise since 1898, when it financed Shawinigan Water and Power. It was also identified with British Columbia Electric, the old Canadian Northern Railway, the Winnipeg Electric, and the Montreal Light, Heat and Power. He says that financial men in Canada must carry out their side of the bargain. They must run straight with British investors, must not look to excessive profits for themselves over propositions submitted to the Old Country, and, after they had raised the money, must see that the concerns were properly and economically managed at this end.

Hudson's Bay Profits Are Slightly Lower

Hudson's Bay Co. net profits for the year ending May 31 are slightly lower than the previous year, the figures being: 1924, £310,417; 1923, £328,440. The land account shows a £24,710 deficit for 10 months. A change was made in the fiscal year to make it conform with the others, and it is stated a full 12-month report would have wiped out the land account loss. Profit and loss now stands at £98,350 compared with £110,849 after dividend provision.

Fur collections for the past year were smaller, due to competition and the open fall, but prices were better. The company stores show improvement although the benefit of the 1923 bumper Western crop was not fully realized because the liabilities the farmers had incurred in the previous years of agricultural depression largely absorbed whatever profits were available.

GOLD DWINDLES: HAS $85,000,000 GONE IN 15 MOS.?

(Continued from page ,1)

Canadian dollar at a discount in New York. Other people having obligations to meet in New York have had to pay the premium on New York funds. Thus the Canadian Government's action, in paying its debts in New York in gold, has saved the government a little money, but it has cost business houses and others probably a great deal more than the government saved.

Evidently, the banks have followed the example of the government in shipping out gold, for the banks have not as large amounts in central gold reserves as they had a little over a year ago.

If Canada is going to get back to a gold basis, a good reserve of gold would be a tremendous help, and, in fact, would be necessary. This reserve would not be difficult to build up in view of the fact that Canadian gold production is advancing daily and now amounts to such a substantial sum yearly. But when gold is being shipped out of the country almost three times as rapidly as it is being produced, the possibility of building up substantial gold reserves dwindles.

The situation merely emphasizes the need of closer study by someone in authority at Ottawa of the whole question, and the establishment of a definite governmental policy in regard to a return to the gold basis. While the enforced absence of Mr. Fielding from his office has been widely regretted, and even by his political enemies, it has made it difficult to have all the national financial problems dealt with thoroughly and quickly.

Montreal Tramways Made Thornton Hurry

From Our Own Correspondent.

MONTREAL.—An interesting sidelight on the C. N. R.'s recent purchase of a right of way in Montreal from the Montreal Tramways Company came out in Ottawa this week when Sir Henry Thornton stated that when the opportunity was given to him a few days ago to purchase the Bout de L'Isle Line (a trolley line running to the east end of the Island of Montreal, about 12 miles), he had only one hour to decide, and he purchased the property for $1,200,000. It would be advantageous to the Canadian National System, as it would give it ready access to a district that would soon develop large industries which would be lucrative traffic producers.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JUNE 24

	Div. Rate	Yield June 23	High For Week	Low For Week	Close June 24	Close June 17	Sales For Week	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.62	181¼	180	180¼	181¼	103	188	178
Dominion	12	6.66	177	177	177	177	4	187	177
Hochelaga	10	6.93	144¼	144	144	144	164	159¼	143
Imperial	12	6.97	172	172	172	170	16	179	169
Molsons	12	8.08	148¼	147	148¼	148	76	159¼	147
Montreal	12	5.00	240	239	240	240	79	248	230
Nova Scotia	16	6.36	..	..	..	..	..	260	248
Royal	12	5.57	216	215	215	215¼	74	218	211
Standard	12	7.55	158¼	158¼	158¼	158¾	16	168	158½
Toronto	12	7.05	170	169	169¾	170	26	179	169
Union	8	7.76	103¼	102½	101¼	103	14	109¼	100
Paper—									
Abitibi, com.	4.00	7.20	56¼	55	55¼	56½	718	69	54
do pref.	7	7.08	99¼	98¼	99¼	102	35	103½	98¼
Brompton Pulp	..	..	31¼	29¼	31¼	30	593	43	29
Laurentide	6	7.03	85¼	85	85¼	84¼	45	98¼	84¼
Price Bros.	2	4.76	42	40	42	42	112	45	40
Prov. Paper, com.	6	7.05	..	..	..	..	..	110	83
do pref.	7	7.77	..	..	..	..	..	97½	90
Smith, Howard, com.	6	12.50	50	48	48	50	66	75	50
do pref.	8	8.88	90	90	90	91	20	100	90
Spanish River, com.	7	6.73	105	103¼	105	104¼	857	114¼	96
do pref.	7	6.26	112	100¼	111½	111¼	211	119½	100¼
St. Maurice Paper	6	6.74	89	87	87	90	125	113¼	83
Wayagamack	..	..	..	..	..	..	..	45	32
Steel and Steel Industries—									
B. E. Steel, com.	..	..	3	3	3	3	5	6	3
do 1st pref.	..	..	39	37	39	37¼	91	57½	35
do 2nd pref.	..	..	9¼	9¼	9¾	9½	185	17	8
Can. Car & Foundry, com.	..	..	46	42¼	45	43	496	50	36½
do pref.	7	7.69	92	88½	90¼	89½	865	97	84¼
Can. Foundries, com.	..	..	..	..	..	..	..	31	19½
do pref.	..	..	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.01	..	..	..	..	..	67	65
do pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	..	..	..	..	..	..	80	52
Dominion Iron, pref.	..	..	..	..	..	..	..	57	31
Dominion Radiator	7	7.40	..	..	..	..	..	95	94
Dominion Bridge	4	6.25	64	63	64	63	42	80	60
Dom. Steel Corp. pref.	..	..	45	45	45	45½	10	73	40
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40¼
do pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	..	6	6	6	5¼	1	6	4¼
do pref.	..	..	26½	26½	26½	25¼	30	28	25¼
Steel. of Canada, com.	7	9.72	72	71	71	71	602	83	69¼
do pref.	7	6.96	101	100	100	100	110	105½	99½
Milling—									
Canada Bread, com.	4	5.46	73¼	73¼	73¼	73¼	25	74½	63
do pref.	7	7.21	97	97	97	97	1	98½	95
Inter. Milling pref.	7	7.48	93½	93½	93½	93¼	20	96½	93
Lake of Woods, com.	12	6.89	174	174	174	174¼	30	180	167
do pref.	7	5.94	..	..	..	..	..	120	115¼
Maple Leaf, com.	..	..	59	59	59	61	3	69	59
do pref.	7	7.69	91	91	91	91	5	95½	87
Ogilvie Flour, com.	12	3.93	305	305	305	308	11	350	304
do pref.	7	5.92	118¼	118½	118½	118½	5	120¼	116
Shredded Wheat, com.	8	5.81	..	..	..	..	..	138	137½
St. Law. Flour, com.	6	8.60	69¼	69	69¼	69	270	73	66
do pref.	7	7.77	..	..	..	..	..	91½	89
West. Can. Flour	8	8.08	99	98¼	99	99	95	105	98
Utilities—									
Bell Telephone	8	6.04	132¼	131	131	132	655	132¼	125
Consumers Gas	10	6.19	161¼	161½	161½	160½	26	166½	159
Dom. Telegraph	6	6.93	..	..	..	..	..	44½	43
Kaministiquia	8	7.54	..	..	..	..	..	113½	104
Mackay, com.	7	6.25	112½	112	112½	112	123	120¼	110¼
do pref.	4	6.08	66	65	65½	112	236	71½	65
Mexican Light, com.	..	..	..	..	..	..	..	20	18
Montreal L.H. & Pr. Cons.	7	4.11	172	167½	170½	169½	8869	172	140¼
Montreal Telegraph	8	6.40	50	50	50	50	9	52½	48
Ottawa L.H. & Pr.	6	7.05	..	..	..	..	..	86	81
Quebec Power, com.	..	..	76	73	75½	74	418	76	64
do pref.	7	7.36	..	..	..	..	..	95	90
Shawinigan	7	5.29	133½	130	130	133	531	135½	118¼
Southern Can. Power	1.00	..	56	56	56	56	126	61	51¼
Transportation—									
Canadian Pacific Rly.	10	6.68	150¼	149	149	149	329	154	147¼
Canada Steamships, com.	..	..	13	12	13	12	45	16	11
do pref.	..	..	48½	47	47	48	511	52	41¼
Tractions—									
Barcelona	..	..	..	..	..	..	..	20	12½
Brazilian	4	8.00	50¼	49½	50¼	50¼	1836	53¼	41¼
Detroit Un. Rly.	6	..	38¼	30	38¼	30	3001	72½	30
Duluth-Superior	..	..	26	24½	25¼	20	791	35	19½
Illinois Traction, com.	2.00	..	..	..	..	..	..	101	60
do pref.	6	6.50	..	..	..	..	..	93½	87
Minn. St. Paul, com.	4	..	..	..	..	..	..	31¼	31¼
Montreal Trams	10	5.98	169	167	167	169	742	170	148
Porto Rico Rlys, com.	..	..	..	..	..	..	..	25	17
do pref.	7	9.92	..	..	..	..	..	75	66
Quebec Rly.	..	..	18	17	17	18	28	18½	14½
Toronto Railway	..	..	97¼	93	95½	93	2409	97½	80
Twin City, com.	6	12.00	50¼	49½	50	51	376	69	49½
Winnipeg Elec. com.	..	..	24½	24¼	24¼	25	20	30	24
do pref.	7	9.45	75	74	75	75	12	85	74
Textiles—									
Can. Conn. Cotton, pref.	8	..	..	..	..	..	..	80	53½
Can. Converters	7	8.97	..	..	..	..	..	90	70
Can. Cottons, com.	8	8.24	98	98	98	97	2	111	85½
Do. pref.	6	6.81	..	..	..	..	..	91	88
Can. Woollens, com.	..	....	..	..	..	..	..	7	6
Do. pref.	..	....	..	..	..	..	..	41½	35
Dom. Textile, com.	4.00	7.01	57¼	57	57	58	87	66	54
Do. pref.	7	6.48	..	..	..	..	..	109½	104½
Monarch Knitting, com.	..	....	..	..	..	..	..	25	25
Do. pref.	7	10.29	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.12	..	..	..	..	..	100	98
Do. pref.	7	6.66	..	..	..	..	..	107	104
Penmans, com.	8	5.47	146	141½	146	140	60	165	134
Do. pref.	6	6.29	95½	95¼	95¼	95	13	97	92
Wabasso Cotton	..	....	58	58	58	59	2	72	58
General Industrials—									
Amer. Salesbook, com.	5	....	..	..	..	..	..	47	38½
Do. pref.	7	8.23	85	85	85	87¼	20	95	86¼
Asbestos, com.	..	....	22	19	19	27¼	44	35	19
Do. pref.	6	10.52	57	57	57	55	135	62	52
Atlantic Sugar, com.	..	....	13¼	13	13	13¼	55	21¼	13
Do. pref.	..	....	35½	35¼	35½	40	10	51	35¼
Bird & Son, pref.	7	8.14	..	..	..	..	..	89	86
B. C. Fishing	..	....	..	..	..	..	..	15¼	8
Burt, F. N., com.	10	7.84	127½	127½	127½	130	5	137½	125
Do. pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	6.81	88	87¼	87½	87¼	10	93	83½
Do. pref.	7	6.68	105	104½	104½	104½	25	108	102½
Can. Gen. Electric, com.	6	5.35	56	56	56	53	20	58½	52½
Do. pref.	7	6.73	52	51¼	51½	52	120	54	51½
Can. Indust. Alcohol	6	....	31¼	28¼	31¼	28¼	5462	31¼	26
Canadian Salt	8	7.14	..	..	..	..	..	115¼	109
Carr. Factories, com.	..	....	..	..	..	..	..	2¼	¼
Do. pref.	..	....	17	17	17	17	160	17	15
City Dairy, com.	10	5.05	50	49	50	49½	280	50	40¼
Do. pref.	7	6.39	..	..	..	..	..	110	104
Crows Nest Coal	6	13.04	..	..	..	..	..	51¼	46
Cuban Can. Sugar, com.	..	....	6¼	6	6¼	6½	185	13	6
Do. pref.	..	....	34	33	34	33	10	54	33½
Dom. Canners, com.	..	....	26¼	26	26¼	26	100	35¼	20½
Do. pref.	7	9.19	..	..	..	..	..	90	82
Dominion Glass, com.	7	6.65	105½	105¼	105	105	41	110	102½
Do. pref.	7	6.65	105¾	105	105¼	106	55	107	103
Dominion Stores, com.	1.00	....	24½	24½	24½	24½	50	30	24½
Do. pref.	8	9.19	..	..	..	..	..	90	81
Davies, Wm. (A)	..	....	..	..	..	..	..	20	15
Eastern Theatres, com.	..	....	14½	14½	14½	14½	12	14¼	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	..	..	..	..	..	485	465
Goodwins, com.	..	....	..	..	..	..	..	48½	20
Do. pref.	7	7.77	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7	9.55	71¼	71¼	71¼	71½	25	81¼	71¼
Frontenac Brew., com.	..	....	..	..	..	..	..	70	60
Do. pref.	7	7.60	..	..	..	..	..	122	90
Holt, Renfrew, pref.	7	13.20	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Edward Hotel	..	....	..	..	..	..	..	21	21
Lyall Construction	..	....	..	..	..	..	..	21	10
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Breweries, com.	4.00	8.00	50	49½	50	50¼	690	56¼	48½
Do. pref.	7	7.07	..	..	..	..	..	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	97
Do. pref.	7	6.93	..	..	..	..	..	106	100
Port Hope Sanitary, com.	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	..	..	..	..	..	70	45
Do. pref.	7	7.91	..	..	..	..	..	100	86
Russell Motor, com.	..	....	..	..	..	..	..	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin-Williams, com.	6	6.00	..	..	..	..	..	110	100
Do. pref.	7	7.07	99	99	99	98½	10	103	98½
Sterling Coal	4	9.87	40½	40½	40½	40½	20	44	40
Tuckett Tobacco, com.	4	6.66	60	60	60	61¼	5	64½	57
Do. pref.	7	7.21	97	96½	96½	97	137	97	92½
Woods Manufacturing, com.	..	....	..	..	..	..	..	35	28
Do. pref.	7	11.11	..	..	..	..	..	67	68
Trust and Loan—									
Canada Landed	10	6.25	..	..	..	..	..	86	80
Can. Permanent	12	6.70	..	..	..	..	..	187	179
Colonial Invest.	6	....	..	..	..	..	..	7	4¼
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7+½	6.00	..	..	..	..	..	125	120
Landed Banking	9	6.52	138	138	138	142	7	142	138
Montreal Loan	12	6.48	..	..	..	..	..	46¼	46¼
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	8.23	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.81	..	..	..	..	..	210	202
Toronto Mortgages	10	5.86	..	..	..	..	..	85¼	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

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Without Additional Charge

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WINDSOR - ONTARIO

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	.04	.07
Can. Westinghouse, pref.	133	135
Can. Marconi	75	100
Cockshutt Plow, pref.	26	29
Collingwood Shipbuilding, com.	50	60
Cosgrave	5	6
Dom. Power, pref.	92	95
Dom. Power, com.	37½	38½
Dunlop Tire 7% pref.	80	84
Durant Motors (A)	4	5
Durant Motors (B)	5	6
Durant Motors (C)	6	7
Dom. Sewer Pipe, com.	27	30
English Elec., com.	4	5½
English Elec., pref.	43	45
Famous Players, pref. 50% com.	70½	73
Gunns, Ltd., pref.	32	36
Hamilton Pantages, pref.	44	47
Hamilton Pantages, com.	..	2½
King Edward Deb. A.	55	59
King Edward Deb. B.	30	34
K. & S. Tire, com.	..	50
K. & S. Tire, pref.	10	14
Loew's Buffalo, com.	1	1½
Loew's Hamilton, pref.	44	47
Loew's London, pref.	5¼	6
Loew's Ottawa, pref.	19	22
Loew's Toronto, pref.	64	67
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	25	30
Mount Royal Hotel, com.	..	9
Mount Royal Hotel, pref.	42	44
North Mexico Power, com.	14	15
Robt. Simpson, pref. 6%	89½	91½
Tiger Tire Unit	..	6
Western Grocers, pref.	..	33
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	22	27
Can. Mortgage	67	..
Continental Life	25	29
Crown Life	99	..
Excelsior Life	33	..
Great West Life	230	..
London Loan	44	48
Manufacturers Life	56	58
Mercantile Trust	100	..
Monarch Life, 10% pd.	13½	..
National Life $25 pd.	50	..
Ont. Equitable	..	17
Peoples Loan	70	..
Sovereign Life	17	21
Sun Life 50% pd.	170	..
Sun Life 35% pd.	140	..
Sterling Bank	89	92
Trusts & Guar.	68	71

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PORTO RICO RAILWAY

There has been considerable buying of Porto Rico shares of late, especially the preferred. Several buyers have appeared in the market and with brokers bidding for the stock, it has advanced 2 points to 72. No special news to create this interest has come out.

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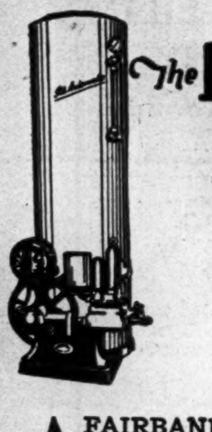

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A PIONEER'S FUR PACK

EDMONTON. — Sheridan Lawrence, who for the past quarter of a century or more has pioneered 400 miles north of Edmonton at Fort Vermillion on the Peace River, brought his fur pack to Edmonton last week and disposed of it for approximately $20,000. Mr. Lawrence has grown wheat since residing in the north and mills all the wheat grown in that vicinity, for the farmers' own flour supply.

MANITOBA POWER WILL BRING BACK W. E. L. EARNINGS

This Seems to be Indicated by Forecast of President

1923 PROFITS DOWN

But Preferred Dividend Was Earned Last Year by a Substantial Margin

From Our Own Correspondent.

MONTREAL.—Local opinion on the Winnipeg Electric annual report was that the company had done as well as had been expected. The monthly earnings statements have revealed before this the slight contraction in gross earnings, and so there was little new in the full year's statement, beyond a discussion of some of their reasons for the lowered revenues. The preferred dividend was earned by a substantial margin —surplus earnings above dividend requirements having been at least 50 per cent. of dividends if all depreciation and sinking fund charges are first deducted, and much better if depreciation is not first figured.

Comparative earnings for the year 1923, and for the two previous years, are as follows:

	1923	1922	1921
Gross earn.	$5,280,408	$5,395,223	$5,418,024
Oper. expen.	3,465,893	3,526,715	3,559,380
Net revenue	$1,814,515	$1,868,608	$1,858,644
Other income	127,706	121,854	161,406
Total income	$1,942,221	$1,990,362	$2,020,050
Int. charges	663,480	643,028	633,331
Dis. on secs.	16,205	16,000	52,526
City p. c., etc.	168,193	175,036	183,070
Taxes	162,471	164,639	164,314
Misc. exp.	2,975	3,783	3,312
Other deduct.	58,497	52,500	54,632
Depreciation	201,050	201,050	201,050
Net income	$ 669,360	$ 784,325	$ 727,915
Pref. dividends	210,000	210,000	182,367
Sinking fund	55,320	56,550	57,420
Deprec.	156,003	138,460	122,606
Surplus	$ 248,027	$ 329,315	$ 365,522

In discussing the decline in earnings, the president, Sir Augustus M. Nanton, says:

"Business activity in Winnipeg and its suburbs was slowed up during the year 1923, from that recorded in 1922 and this condition, together with the weather which especially during the latter part of the year was unusually fine caused a decrease of over 2,000,000 in the number of passengers carried on the electric railway system. Gas sales were influenced by economic conditions and with the higher temperature less gas was used for heating purposes, resulting in a shrinkage of gas sales of 56,000,000 cubic feet or 8½ per cent.—all of which reacted unfavorable on the gross earnings of the company. Sales of electricity were also affected as individual industries and mercantile establishments, on account of operating with reduced staffs or being idle, used less power and light than is required to meet their normal demands. In this particular department of its business the company was fortunately able to secure additional power contracts to offset these reductions and in addition to increase the gross earnings of the electric utility by $135,000 and to establish a new record output of electricity."

Selling Power from Great Falls

The president refers to the fact that 27,000 h.p. of additional electric supply business was arranged during the past year, the power having come from the Great Falls plant of the Manitoba Power Company. In this connection it will be recalled that the plant is capable of producing about 56,000 h.p. with present units, and it is, therefore, encouraging to read the statement of Sir Augustus, that "Indications point to an even greater demand for power in the coming year." It seems likely that Manitoba Power will be the big factor in bringing back Winnipeg Electric earnings.

Discussing the gas utility, the report states:

"The gas utility having experienced a reduction in the sales of gas was favored with a reduction in the price of coal during the last five months of the year and this, together with other savings that were introduced, more than ofset the reduction in gross earnings resulting from the decreased sales. . . It is anticipated that the year 1924 will see sales of this utility restored to normal even if general business activity should not show decided advancement."

Extensions of various kinds were carried out during the year, including rehabilitation of some tracks, two railway extensions, new transmission lines, commencement of work on a new gas plant, and various additions to gas and electric distribution systems.

CLAIMS BIG BENEFIT TO OTTAWA ELECTRIC

Ottawa Hydro Fights Ontario Hydro on Order to Increase Domestic Rates

MONTREAL.—Shareholders in Ottawa Light, Heat and Power are interested in the present fight between the Ontario Hydro-Electric Commission, and the city of Ottawa municipally-owned hydro-electric system. The Ontario Commission has ordered a 30 per cent. increase in domestic lighting rates in Ottawa. The move is said to have been made because lighting rates are so low in Ottawa as to have aroused the jealousy of other communities in the Ontario Hydro chain. The Ottawa commission is resisting the increase in rates, pointing out that it would mean higher profits and more business for the Ottawa Electric Company, a subsidiary of Ottawa Light, Heat and Power. Their letter of protest says on this point:

"As before mentioned the adoption of the new lighting rates suggested by your commission means an increase of over 30 per cent. in these rates or about $80,000.00 per year to the light users of the Ottawa commission, and also an increase of over this amount to the same class of customers of the Ottawa Electric Company, provided that company adopts the same rates. It is, however, probable that the company would only increase its lighting rates to a less extent than those suggested by your commission, and this would not only enable the company to make large profits, but would enable it at the same time to take away from the Ottawa commission a very large proportion of its lighting customers. In this way the Ottawa commission's business would soon become a non-paying one, whilst that of the Ottawa company would, of course, become more profitable.

"The suggested increase in the lighting rates appears to be a very radical departure from this principle, and greatly prejudicial to the interest of the Ottawa Hydro Electric plant, whilst at the same time greatly beneficial to the Ottawa Electric Company."

TO REVIVE B.C.'S. BIGGEST COAL CO.; DORMANT SINCE '20

Pacific Coast Coal Reorganization Plans Are Well Under Way

Pacific Coast Coal mines, at one time one of the chief producers of coal in British Columbia, may resume operations this year. The company went into liquidation, and is now in the hands of a trust company. South Wellington coal mines were organized in 1908 to operate Fiddick's property, South Wellington. The Pacific Coast coal mines was incorporated and acquired with the Fiddick and Richardson property, adjacent, as well as large acreage at Suquash, near Alert Bay. This company absorbed South Wellington coal mines. In addition, the company took over some 1,500 acres of settlers' coal lands. In 1909, 10, 11, and 12 the company did much development work at South Wellington, until it was mining about 215,000 a year. In 1911 the New York interests got in control, and started intensive development, which was interrupted by litigation. It has been dormant since 1920.

One of the company's properties, the Morden, which is located on the 1,500-acre block, South Wellington, possesses the most modern colliery plant on the Pacific Coast, the pit head and screening structures being built of solid concrete. This mine is connected to the shipping point at Boat Harbor, each coast of Vancouver Island, about five and a half miles from the mine, with a standard gauge railroad, and is provided with all necessary rolling stock. At tidewater, there are shipping wharves, bunkers, washeries and loading conveyors.

At Suquash extensive diamond drilling has been carried out, and a shaft sunk to the seam and the underground workings developed to a point where from 200 to 400 tons a day could be produced. A substantial power plant has been installed, and the railroad surveys, and all other work for the completion of the outside operations have been finished. In short everything is ready to proceed with extraction of coal, and its shipment as soon as financial arrangements are made.

TELEGRAPH LINES HAD BETTER YEAR

Marconi, in Which Investors Are Interested, Had Poor Year, Losing $44,000

MONTREAL.—Marconi Wireless Telegraph has a net operating loss of $44,000 in 1923 as against an operating profit of $17,000 in the previous year is a fact of interest to investors revealed by the government report on telegraphs in Canada in 1923 just issued. The report indicates that the telegraph companies on the whole had a better year than in 1922, gross revenues having increased by $400,000 while expenses were only $85,000 greater.

The record of Canadian telegraph companies last year as told by the Dominion Statistician is as follows:

Company	Year Ended Dec. 31st 1923	1922
Gross Revenue		
Can. National ..	$ 3,414,335	$ 3,220,975
Can. Pacific ...	4,546,311	4,508,619
Dominion Gov. ..	289,253	290,131
G. T. P. Teleg.	158,663	148,187
Halifax & Bermudas	169,523	17,284
Marconi Wireless	1,028,015	1,059,084
N. Amer. Teleg.	322,915	313,442
Pacific Cable ..	285,957	272,542
T. & N. O. Com	71,785	65,783
Western Union .	1,130,527	1,122,837
Total	$11,417,284	$11,018,762
Operating Expenses		
Can. National ..	$ 3,297,904	$ 3,121,256
Can. Pacific ...	2,791,027	2,819,980
Dominion Gov. ..	908,840	947,340
G. T. P. Teleg.	182,467	187,314
Halifax & Bermudas	51,415	29,472
Marconi Wireless	1,072,104	1,042,023
N. Amer. Teleg.	321,585	312,002
Pacific Cable ..	344,594	336,272
T. & N. O. Com.	31,522	28,965
Western Union ..	930,387	1,021,801
Total	$ 9,931,845	$ 9,846,425
Net Operating Revenue		
Can. National ..	$ 116,431	$ 99,719
Can. Pacific ...	1,755,284	1,688,639
Dominion Gov.	x619,587	x657,209
G. T. P. Teleg.	x23,804	x39,127
Halifax & Bermudas	118,108	x12,224
Marconi Wireless	x44,089	17,025
N. Amer. Teleg.	1,330	1,440
Pacific Cable ...	x58,687	x63,730
T. & N. O. Com.	40,263	36,768
Western Union .	200,140	101,036
Total	$ 1,485,439	$ 1,172,337

x—Deficit.

B. C. SALMON SEASON

PRINCE RUPERT.—All the salmon canneries in this district, with the exception of Port Edward and Mill Bay, will operate again this season.

Foreign Exchange

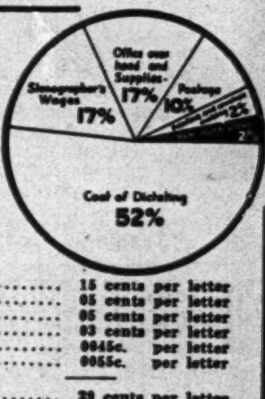
Those having dealings with foreign countries will find it advantageous to negotiate their drafts and bills of exchange through the Imperial Bank.

This Bank can always procure the closest possible rates of exchange. 443

IMPERIAL BANK
OF CANADA
190 BRANCHES IN DOMINION OF CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND—Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

The Total Cost of a Business Letter



A careful analysis of the cost of producing the average business letter shows that the time the average executive takes to dictate a letter represents a cost of .... 15 cents per letter
Office overhead and supplies.......... 05 cents per letter
Stenographer's wages .... 05 cents per letter
Postage .... 03 cents per letter
Printing and Envelope making.......... 0045c. per letter
Best Bond Paper .... 0055c. per letter

Making a total cost of.......... 29 cents per letter
which figure can be taken as a safe average.

The cost of the finest bond paper made, represents less than 2 per cent. of the entire cost. By using the cheapest grade of bond paper 1% could be saved. Would YOU try to save 1% and risk wasting the other 99% owing to the bad impression made by cheap paper? There's only one best bond—

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REGARD HOLDERS OF DEBENTURES AS DEPOSITORS

Have Merely Agreed to Leave Money For Stated Period

In the debate at Ottawa last week on the act respecting loan companies, the point was raised as to whether government inspection should provide protection for depositors only or holders of debentures as well. The point was made by Hon. Mr. Meighen that depositors should be safeguarded but that investors in debentures were quite able to look after themselves; his remarks indicated the assumption that the debentures represented Scotch investors, "entirely competent to look after themselves."

The idea that loan company deposits represent Canadian money and the debentures foreign capital is an erroneous one, according to officials of the mortgage companies, who point out that debentures in large sums are issued to the Canadian public. As a matter of fact the abstract of statements of trust and loan companies issued by the department at Ottawa for 1923 shows that for the fifteen companies operating under federal charters, debentures and debenture stock held in Canada amounted to $22,667,000, or only a comparatively small amount less than the $24,315,000 held in other countries.

On behalf of the holders of debentures the point is made that they are in effect depositors who have agreed to leave their money on deposit for a stated period, receiving in consideration a slightly higher rate of interest. This higher rate of interest, it is submitted, is no more than justified by the fact that they agree to leave their money for a stated period—it is not sufficiently larger to provide against the measure of speculation involved if there is discrimination in the government inspection as between the holders of these debentures and depositors. It is also submitted that many holders of the debentures—at least holders in Canada—regard themselves as depositors who have agreed not to withdraw their money for a stated period.

Another point advanced against any change in the present legislation which makes no discrimination between depositors and debenture holders, is that these debentures are classed as legal investments for trustee funds and as such it is argued that they should have the benefit of such protection as may be entailed in the government inspection.

Laurentian Power Has Decrease in Earnings

From Our Own Correspondent.

MONTREAL.—The annual report of the Laurentian Power Company, Limited, for the year ending March 31, 1924, shows net earnings to be slightly lower at $30,379, as compared with $43,197 the previous year.

Power sales for the period showed a satisfactory increase being $211,531, as compared with $199,800. The lower net earnings are due to higher operating charges which this year were $73,386, as compared with $46,791 in the '22-'23 period.

The bulk of the increase was in the item "Savane Dam 'dues' for 11 months," amounting to $24,054; other increases to be noted being taxes, which were up from $2,589 to $3,245 and legal expenses from $225 to $4,284.

Bond interest was $79,105 this year as against $80,813 and bond discount $3,079 as compared with $3,269; depreciation and contingencies was the same at $27,200.

Preferred dividends amounting to $24,500 were paid in the period. The new Savane Dam was put into operation during the past year and protects the company against loss of power through low water. This dam with the one at Lac Brule, both on the St. Anne River, create a storage of 2,000,000,000 cubic feet of water.

The company has a very good contract running until September 1, 1940, for the supply of 10,000 horse power to the Quebec Railway Light, Heat and Power Company.

Canada Produced Iron Ore in 1923; None Now

The total shipments of iron ore from Canadian mines during 1923 amounted to 30,759 short tons, the net value of which was reported as $114,944, as against 17,971 tons shipped in 1922 with a value of $56,993. The output included 30,447 tons of beneficiated magnetite from Ontario, 5,358 tons of which was exported; 243 tons of magnetite exported from British Columbia, and 69 tons of ilmenite, a titaniferous iron ore exported from Quebec province. The total exports were 5,670 tons, valued at $20,279. Figures revised by Dominion Bureau of Statistics. Pig iron derived from Canadian ores smelted in Canadian blast furnaces during the period totaled 20,739 short tons, which at the year's average price for pig iron of $20.84 per short ton, had a computed value of $432,298. No iron ores were mined in Nova Scotia during the period.

LARGE AUSTRALIAN TRADE

ST. JOHN.—H. D. Ross, Canadian Trade Commissioner in Australia, has visited St. John, and hopes to see a larger trade between that Commonwealth and the Maritime provinces. While here he visited the leading industries, including the brush factories, sardine factory, brass and iron and wood-working factories, confectionery and other plants, and interviewed the various present prospective exporters. He found much improvement in St. John since his last visit five years ago.

Steel Shareholders Soon to Operate Chain Stores

Creditors in Canada of L. R. Steel enterprises will accept 60 cents on the dollar. One creditor, representative of the Royal Bank building control, from whom the Steel people had large offices rented, raised objection to the offer made. C. H. Mackenzie, acting for Steel's Consolidated, the company organized by the Shareholders' Protective Trust, made the offer. The proposal is to take over management of the chain stores in Canada shortly. A statement showing the winding up of the old Steel enterprises will soon be issued.

Pulp and Paper Securities

LAURENTIDE HAS 581 STOCKHOLDERS AMONG EMPLOYEES

There Are More Shareholders Than Mill Workers in Company

From Our Own Correspondent.

MONTREAL.—There are more shareholders than employees in the Laurentide Company, gigantic pulp and paper mill at Grand Mere, P.Q. This interesting situation, true of many other big corporations, somewhat complicates radical theories on the division of earnings between "labor" and "capital." It denies the existence of monopolistic control of industry.

There are about 581 employee-shareholders in Laurentide, most of them living in Grand Mere and owning between a quarter of the outstanding stock in the company.

The Grand Mere Journal, which is really the staff paper of the Laurentide Company, gives these facts in an article which reads as follows:

"It is possible that the question is often asked locally 'Who owns the Laurentide Company?' It is possible, too, that the answer often conveys the impression that it is owned by a few wealthy foreigners who are getting all of the money out of it while the people at home do the work.

"When two men wish to open a store they form a partnership. Money is necessary to start the business. Each one puts in a part, and the profits are divided on a basis of how much each put in. One man may decide to get out. When he dies he sells his interest to some one, and the business goes on. All matters affecting the ownership and management of the business may be agreed upon very easily by two men, and they carry on the business by mutual agreement.

"When there are a large number of men who wish to engage in an enterprise which may need a great deal of money to start the business, they form a corporation, and in the same way the profits are divided according to the amount each one puts in. Rules need to be made to protect the interests of the people who put in the money and the people who deal with them, so the government gives the Corporation a charter presenting the rules. A certificate of ownership is given to each one who puts in his money and this is what is usually known as a 'stock certificate' or sometimes 'shares' or 'shares of stock.' When anyone wishes to get out he sells his 'shares' just as a partner would sell his interest in a partnership. In order that these shares may be readily sold, large cities have Stock Exchanges which are simply markets for the shares just as Grand' Mère has a market where farmers' products may be readily sold. These Stock Exchanges are combinations of brokers who act as agents for the buying and selling of shares.

Over 2,312 Shareholders

"That is the way Laurentide is organized. There are 288,000 shares of Laurentide stock. These shares are owned by 2,312 different men and women. That is, many more people have gone into partnership to provide money for the Laurentide Company to run its business than there are men working in the mill, and each of these partners owns on an average about 125 shares of stock. 2,078 of them live in Canada, 164 in the United States, 45 in England and 25 in other countries. Some of these people are doctors, lawyers, working men and some are widows or poor or helpless people who depend upon the earnings from money they have invested in Laurentide for their support.

"Five hundred and eighty-one of the owners work for the company and they own about one-quarter of the stock and almost all of these live in Grand'Mère.

"There is no reason why more of this stock could not be owned by people who work for the company and who live in Grand'Mère. Anyone can become a partner in Laurentide at any time by buying an interest in the company with their earnings. They can buy one share at a time or more. They can pay for it at once or they can pay part down and pay the rest as their savings will permit. Shares can be bought or sold at any time by a broker, or local banks will sometimes arrange for their purchase or sale.

"Four times a year the company declares a dividend. That is, they divide the profits they have made and send a check to each shareholder for his part. Thus a quarter of the profits of the company are paid to people who live in Grand'Mère. For every new partner who goes into the business from Grand'Mère more of the profits of the company stay at home.

"It would be quite possible that some day all of the shares could be owned by men who work for the company and that every man who works in the mill would be a pratner in the business."

Walmsley's Get Big Machine Order From Eddy

From Our Own Correspondent.

MONTREAL.—Charles Walmsley and Company are understood to have received the order for rebuilding the E. B. Eddy sulphite pulp mill at Hull. Eddy's are spending about $3,000,000 putting their pulp mill in condition, a large part of this being for machinery. The order will keep the Walmsley plant busy for from four to five months.

That there is likely to be much pulp and paper activity in Canada in the near future is evidenced by the fact that Walmsley's have inquiries before them covering half a dozen big propositions involving anywhere from $3,000,000 to $5,000,000 expenditure in each case.

NEWSPRINT OUTPUT REDUCED IN MAY

Daily Production of Canadian Mills Declined Slightly But Product Moved Freely

From Our Own Correspondent.

MONTREAL.—While newsprint production in Canada at the present time shows excellent increases over the same period of a year ago, the production during May declined considerably from the April rate of output. Canadian newsprint mills produced 4,364 tons of newsprint per day in May as against 4,451 per day in April indicating slowing down of machines. Newsprint machines in the United States speeded up during the month, producing more than in April. One result of the increased output in the States was a substantial increase in the stocks of newsprint on hand at the end of the month while in Canada newsprint moved out freely as manufactured.

At the end of May there was 55,213 tons of newsprint on hand in the mills of Canada and the United States, an increase of 10,000 tons from the mill stocks at the end of January.

More mills in Canada and the United States fell in line this week with the $73 price for newsprint. Even the International, which had definitely fixed its price for the last half of 1924 at $75 a ton, cut its price to $73. Some mills have been accepting orders from the Hearst publications at $70 a ton and it would not be surprising to see a more general cut to this figure in the next few weeks.

A despatch states that due to slackening in demand for newsprint, International Paper Company has temporarily closed down newsprint machines at four of its smaller mills. Total producing of all grades of paper by International Paper is running at about 80 per cent. normal.

Though not officially announced, it is understood that the St. Regis Pulp & Paper Co. now owns the Mont Louis Seigneury timber limits in the Gaspe Peninsula.

These limits extend over 74,000 acres of freehold and 69 square miles of Crown lands. The deal was put through recently.

St. Regis Paper plans the erection of a newsprint mill in Canada as soon as market conditions better themselves.

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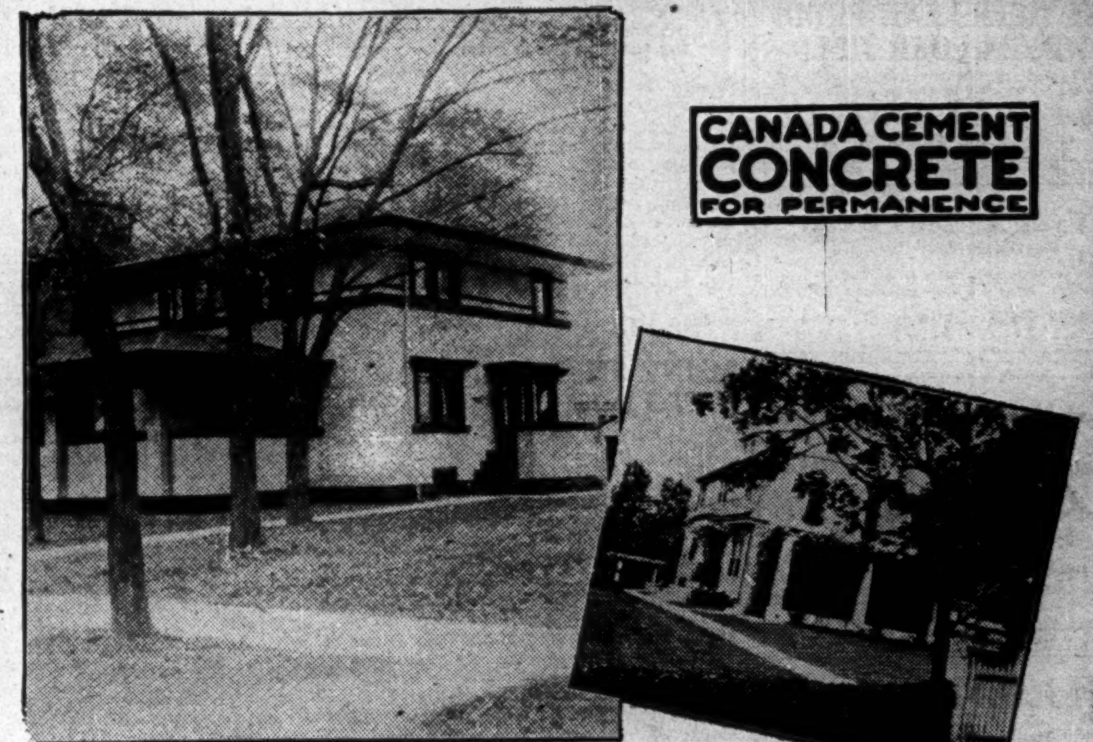

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FAMOUS PLAYERS CANADIAN CORP.

Famous Players report an increase of about 17 per cent. in net earnings, before interest and depreciation, for the first half of its current fiscal year, as compared with earnings for the similar period of 1922-1923. It is understood that new theatres recently acquired account for a portion of the increased profits, but that the improvement also reflects economies effected in operating expenses, notably lower film rentals.

MINING NEWS FOR THE INVESTOR

LACK OF INTEREST ON PUBLIC'S PART IN MINING SHARES

Newray-Goldale Deal Puzzles—Lorrain Consolidated Break Due to Pressure?

Lack of public interest and what some brokers term "a professional short interest," sent many mining issues to new low levels during the week. The postal strike may have tied up a few orders. The breaks were not serious. The important announcement in regard Goldale and Newray caused no wild flurry in either issues. There was some selling, said to be because many holders were disappointed with the result. This is a doubtful explanation. The general public hardly grasped the full details of the deal in that short time. Some of the close students of mining deals, even at this late date, are not prepared to state just what is the relative position of the different companies. THE FINANCIAL POST found this out by asking brokers which was the better purchase, Newray or Goldale. The answers and reasoning varied widely. Lorrain Consolidated is weaker just at a time when the company is preparing to ship a car of high-grade silver. The weakness in this issue, some brokers say, is due to pressure. Levy Brothers, of New York, now control the company. It is understood that they have made an offer of a block of stock at a price considerably above the present market.

Immediately the weakness in the market became apparent and it was stated that the selling was because of the report that new finances were needed. There are two better guesses. One is that the selling is to depress the stock to get a better price from Levy Brothers, while the other is that a deal for the stock has already been made and the depressing of the market is a preliminary to getting away to a good start. Either or neither may be right but little credence is to be put in the report that the public is selling around 24 when they refused to sell when the stock stood from 28 to 30 a week ago when firm bids failed to attract any surplus of stock.

Hollinger, Dome, McIntyre, the three Porcupine leaders, have lost a little ground. Vipond holds strong and there are indications of a heavy accumulation around the present levels of just above the dollar. The high mark for this stock was $1.38. Wright-Hargreaves has been showing strength and the past week's trading was the heaviest of the year in this issue. At $3.36 it is 4 points below the week's high. The development of the $100 ore shoot on No. 1 vein on the 1,000-ft. level is responsible for the awakened interest. Lake Shore, Teck Hughes are strong. Tough Oakes Burnside, around 60, is weak. Lorrain Trout Lake, the Mining Corp. subsidiary, sold up to $1.40 on a turnover of 26,800 shares, the heaviest week's trading since the stock was listed. Evidently early dividend action is expected in some quarters. Keeley, Mining Corporation were slightly weaker, Canadian Lorrain stronger by three points, Clifton and Keora both strong. Rouyn at 16-17 is quite weak as compared with a high of 48 in March.

McINTYRE IS READY TO PUSH EXPANSION

Miller & Co., New York, have taken up the 70,000 shares of McIntyre which they have had under option for two years. The price was $15. The McIntyre's expansion plans are likely to be announced at the annual meeting, or some time within the next 60 days. These are likely to involve a new shaft to 5,000 feet and a mill extension. McIntyre's cash surplus is now piling up rapidly. Earnings being much in excess of the present dividend requirements and with the $1,050,000 from the sale of stock, the company is in a good position to go ahead with its program. Manager Enis has been studying the mine to this end and is believed to have accumulated all the data he requires.

European Silver Demand Looks to be Important Factor in Market

The best information available on the strength of silver prices is that Russia and India are still heavy buyers, while Mexico's output is down. London stocks are reported as being none too large and the market is depending on New York for supplies. At the same time New York and San Francisco, the two big U.S. silver shipping centres, say their supplies are down due to the Mexican declines. The latter's normal shipments are $4,500,000 monthly. The latest figures are for April, showing a total of $2,723,000. Peru and Chile shipments are also very much lower. Russia would contract for three years' supply of silver at the rate of $40,000,000 annually but wants to pay half in raw materials. The new Russian silver currency announced in March was to amount to $50,000,000 but when the first coins were issued (one ruble and 50 kopeck pieces) the desire for possession created a premium of as much as 30 per cent.

Russia is about the third largest national consumer of silver, following India and China. Before the world-war its silver bank reserves exceeded a half million dollars. Pronounced demand for silver in Manchuria is also influencing the Russian currency situation.

American Smelting and U. S. Smelting are reported to have contracts with Germany, Austria, Norway and Italy for sale of 100,000,000 ounces of silver. Since May, Imperial Bank of Germany increased silver reserves from $300,000 to $27,000,000. The government will coin $75,000,000 and later another, meaning the consumption of 24,000,000 ounces. Thus the European demand appears to be the most important factor in silver prices for the next two months unless dangerous short positions have been created in London and New York. Supplies at Chicago are fairly large. India is using a larger amount but is now in its summer dull period.

EIGHT-DOLLAR ORE NIGHT HAWK OUTLOOK

What is Thought to be No. 2 Vein Shows up Well on the 425-ft. Level

Night Hawk is having a little better luck. It is understood that development on the 425-ft. level has resulted in picking up what may be the No. 2 vein which was lost on the upper levels. It shows a good width with average values around $9. It begins to look as if Night Hawk's future was wrapped up in between $8 and $9 ore with a general increase in the mill tonnage to 500 tons. However, a great deal of development will be necessary to ensure such a tonnage before the company will be justified in making plans for a larger mill. Previous mill rumors have always included in reserves the large surface dump, but latest reports are that the values in this dump are open to question. Certainly they are not standing up to what was at first expected.

Taxation in England Kept Cash From Canada's Mines

Taxation of earnings of mining, a wasting asset, on the same basis as a fixed asset, is one of the reasons advanced, or at least a contributory cause for British investors not having shared in Canadian mining development to the same extent as U. S. investors. This point was made by Prof. H. Louis and Mr. Hugh Marriott in a paper on "Economics in Mining" at the British Empire Mining Congress. They attack the income tax law of England. It was first intended as a levy on profits but has been distorted until it is a tax on revenues. In mining this is of vital importance. They then mention that there have been many reproaches because English capital is not heavier interested in Canadian mines.

PORCUPINE GRANDE FINANCING

That the directors expect to complete the financing of the company within the next few months, was the statement made by Pres. A. Gillies, at the annual meeting of Porcupine Grande Gold Mines.

VALUES IN TOUGH-OAKES DRIFT

Average values of $16 over a width of ten feet for a length of thirty-five feet is reported in the drift of Tough-Oakes on the 1,025-ft. level. This is believed to be the eastern extension of the main ore zone of the camp.

CONIAGAS IN ROUYN

Coniagas may take a working option on the Bruce property in Rouyn, Que. Fraser Reid, of the company, just made an examination. Arsenical pyrite associated with native gold and showings of sylvonite have been identified, the latter resulting in some particularly high gold assays.

SILVER PRODUCTION

May silver production in Northern Ontario is estimated at $605,000. The burning of Coniagas mill will cut down the future output, but with O'Brien at Gowganda again producing this loss will be partially offset.

Finds in New Camp Standing up Well

Reports from North-western Ontario's new gold camp in from Tashota on the C.N.R. are to the effect that new surface finds are being made and that the area of mineralization seems quite extensive. Surface values continue to run high and the hope is that they are deep-seated, holding width and value as they go down. This is the history of the other camps of the north.

TRACED FOR 4,000 FEET

Dr. Walter Harvey Weed, New York, examined the Rouyn Gold Mines in Rouyn, Que., and Bathurst claim of the Gamble group lying southeast of Pelletier Lake. The vein on the Rouyn Gold Mines, Ltd., has now been traced nearly 4,000 feet and carries high values in gold and copper.

India Making Heavy Purchases of Silver

India's total silver purchases at New York and London for the first four months of this year amount to about 42,700,000 ozs., or at the rate of 128,000,000 ozs. yearly. Last year for a similar period they were about 35,000,000 ozs. The gain has been the greatest from the U. S., movements for four months totaling $17,993,204 compared with $4,005,080 last year.

Silver movements for four months with comparative figures follow:

IMPORTS	1924 $	1923 $	1922 $
Mexico	12,523,849	10,315,301	15,967,006
Peru	5,024,198	3,119,115	2,586,832
Canada	1,050,649	2,317,628	1,820,100
Germany	1,221,027	....	....
Others	4,289,123	2,041,225	2,487,357
Totals	24,108,846	17,793,269	23,019,768
EXPORTS			
China	8,911,210	9,164,150	8,154,297
India	17,993,204	4,005,080	3,752,647
Japan	1,275,970	....	....
England	2,309,607	2,856,665	4,654,613
Peru	850,000	....	....
Others	1,902,338	2,154,209	3,918,240
Totals	33,242,324	18,180,104	20,479,697

SILVER AND OTHER METALS

	23	24	25	26
Silver—				
London, P.	34¾	34⅝	34 7/16	34 5/16
New York	67	66¾	66	65¾
Copper	—	12½	12	12⅝
Lead	—	7.00	7.00	7.00
Zinc	—	5.72	5.57	5.75

Mining Stock Quotations

Week Ending June 24

	High	Low	Close June 24	Close June 17
Apex	3½	3⅛	3¼	3⅝
Algonquin	1⅝	1⅝	1⅝	2½
Argonaut	50	47	47	50
Atlas	4¼	4	4	4
Baldwin	3¼	3	3	3½
Beatty	5	4⅛	4¼	5¼
Beaver	16½	16	16¼	17
Bidgood	7⅝	7¼	7½	7¾
Buckingham	3	2¼	2⅝	3
Can. Lorrain	64	56	59½	55½
Capital	36	33	34	33½
Castle Tre.	66	64½	64¼	65
Clifton Con.	16	15⅝	15⅝	15¾
Coniagas	1.75	1.75	1.75	1.70
Cons. Smelters	38¼	37½	38¼	38
Cons. W. Dome	22	21	22	21¾
Col. Kirkland	3⅛	3	3	3¼
Crown Res.	54½	53½	53½	54
Dome Mines	18.10	17.75	17.80	18.05
Everett	3½	3½	3½	3¾
Gold Reef	1¾	1¼	1¾	1⅝
Goldale	26	24¾	25	26
Hattie	7½	6⅝	6¾	7⅝
Hollinger	13.30	12.95	13.00	12.85
Hunton	9½	9¼	9¼	9½
Inspiration	9½	9½	9½	7½
Indian	18½	17	17	17
Keora	13	11¾	12¼	12½
Keeley	2.34	2.27	2.28	2.30
Kirk. Lake	19½	18¼	18½	18½
Lakeside	20	18	19½	19
La Rose	9	9	9	9
Lake Shore	3.70	3.68	3.68	3.68
Lorrain, T. L.	1.40	1.36	1.38	1.36
Lorrain	27½	22	23	26½
McIntyre	16.25	16.00	16.00	15.96
McKinley	10¼	10	10	11¼
Mining Corp.	2.85	2.70	2.70	2.71
Moneta	18¾	17½	18¾	16½
Newray	31	23	23½	28¼
Nipissing	6.40	6.10	6.15	6.30
Night Hawk	50	50	50	50
Ophir	3	3	3	3¼
Preston, E. D.	11½	11¼	11⅝	11½
Pete. Lake	9¼	8½	8⅝	9⅝
Porc. Crown	6½	6½	6½	6
Rouyn	20½	16	17	19½
Teck Hughes	1.11	1.05	1.10	1.09
Thomp. Krist	2½	2	2	2¼
Tough Oakes	62	60	60½	62
Tretheway	11¾	10¼	10¼	12
Skead	30	26	30	26
Vac. Gas	5	5	5	4½
Vickers	9¾	9¾	9¾	11
Vipond Cons.	1.06	1.04	1.05	1.04
Wasapika	2½	2½	2½	3
West Tree	6	5	5¼	6¼
Wettlaufer	30	24	27	26
Wright-Har.	3.40	3.20	3.35	3.15
NEW YORK PRICES				
Int. Nickel— com.	15⅝	14	14⅝	14⅛
OIL COMPANIES				
B. A. Oil	33	31½	32	33
Imperial	103	101	103	102⅛
Inter. Pet.	18½	17⅞	18¼	18
Mutual	10¼	10	10	10¼
North Star— com.	70	70	70	75
pref.	3.60	3.60	3.60	3.60

Position of Various Companies in Porcupine Consolidation

Considerable guessing is going on as to the position of Goldale, Newray and Coniagas in the new Porcupine consolidation. Newray stock is down 6 points since the announcement. Goldale is firm and Coniagas advanced 15 cents. The company will have 640 acres, in a block. On the properties are two shafts, Goldale down 1,000 feet with a proven body of $8 ore on the 500-ft. level. Newray shaft is at 900 feet. The new company will have $1,050,000 working capital, which will come from Coniagas' option of 540,000 shares at $1.95 a share. The figures in detail:

Acres		Shares	Value $
640	Coniagas G. Mns.	1,000,000	5,000,000
320	Newray	172,000	860,000
120	Goldale	228,000	1,140,000
200	Strongbow (¾ in.)	45,000	225,000
—	T. H. Rea	11,400	225,000
—		996,400	4,982,000
640	Bal. in treasury	3,600	18,000
		1,000,000	5,000,000

	Cap.	Issued
Newray—	3,000,000	1,499,000

By agreement with Coniagas, Newray shareholders get $1 worth new stock for $2 old, or 150,000 shares of new stock or one share new for ten old will be distributed to shareholders. Shaft down 1,000 feet, ore reserves $250,000.

	Cap.	Issued
Goldale—	3,000,000	2,088,297

The property transferred is only one of the Goldale group of 1,900 acres. It is doubtful if the new stock will be distributed, but will be held in Goldale treasury.

Coniagas Gold Mines will get 22,000 shares new stock from Newray; 45,000 shares from StrongBow and option 540,000 shares at $1.95 or $1,050,000, giving it 607,000 shares or 60 per cent.

StrongBow Mines, 45,000 shares go to Coniagas for three-quarters interest in this, the Armstrong Booth property. Since the details of the agreement were worked out the other quarter interest in StrongBow has been secured, but the details of the deal are not known.

T. H. Rea, who is slated to get 11,400 shares of the new company, spent two years organizing Goldale Mines and consolidating the various groups. He tried strenuously to get control of Plenaurum but when Kerr Lake dropped its option on Goldale, he let his Plenaurum holding go to McIntyre and with Coniagas got control of Armstrong-Booth. Then he worked on the present consolidation which now seems assured of completion.

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Copper Mt. Proves Vast Storehouse of Wealth

Granby Consolidated Mining and Smelting in Princeton district, B.C., has blocked out with diamond drills about 10,000,000 tons of ore. Active operation of this property will take place within a short time. On the other side of Copper mountain the Princeton Mining and Development has driven three tunnels. Assays show ore varies from 6 per cent. copper and two ounces in silver, to 20 per cent. copper, 65 ounces silver and 0.09 ounces gold to the ton.

One assay made on ore from the property, in fact, showed 24 per cent. copper, 126 ounces silver and .20 ounces gold to the ton, or total value in dollars and cents of $197.61.

SMELTERS ACTIVE

At the annual meeting of Consolidated Mining and Smelting Co., a shareholder asked why the company did not examine into the possibilities of the mining fields of Ontario and Quebec. That this big company is active in these fields is shown by the fact that R. M. Macaulay, engineer, has organized a small party of men with experience in northern Ontario and Quebec, with a view to conducting an inquiry into the prospects there for the minerals in which his company is interested.

CHANGING THINGS AT INDIAN

G. L. Thompson, formerly superintendent of Forty Nine Mine and now manager of Indian, Portland Canal area, B.C., has been engaged in reducing unnecessary expenditure since his appointment. The property is to be completely reamplied. Former executives are being replaced or being dispensed with, and development work is proceeding steadily. R. B. Lamb, Toronto, and Mr. Furlong, of Stobie, Furlong, Toronto, recently visited the property as representatives of the new financial interests.

LUCKY JIM LOOKS WELL

Lucky Jim Mine, on Solomon River, Vancouver Island, is proving up well under development. The values are in gold, silver and copper, and seem to be high, assays showing 9 oz. gold per ton and 5 per cent. copper. The property has recently been examined for Consolidated Mining & Smelting Co.

GOES TO McINTYRE

Jas. Denny, who not long ago resigned as mill superintendent of Nipissing Mines, Cobalt, will assume a similar position at McIntyre Gold Mines.

DON ROUYN FINANCING

Don Rouyn Gold Mines, is selling 200,000 shares at 30c. Plans are to develop the properties and sell to other interests. They have 1,900 acres scattered throughout Rouyn district.

EUROPE'S BETTER BUYING POWER AID TO CANADA

(Continued from page 1)

sorbing the sales tax, paying freight and so on.

This whole question of price-cutting is largely a matter of business morality and the sanctity of contracts. Better informed opinion holds that the business which does not resort to any of these practices will be farther ahead in the end. There are, indeed, many firms which do not countenance this method of meeting competition and these are parts of the country in which it is practically unknown. This seems to be the case in the Maritimes and in the West, while in the central part of the country the practice is reaching an acute stage. Naturally it creates a difficult situation for manufacturers with whose business principles it is not in accord. It is also unpleasant for those who are not very directly concerned, such as business press editors and market reporters whose duty it is to give the public the actual facts. These men come into contact with conditions as they are and must endeavor to draw a correct picture. The whole question is one which has a very direct bearing upon the general business situation, and it is probable that the prevalence of the practice may have the effect of re-introducing and making general the contract selling plan.

Herb Lake Becoming Quite a Modern Camp

THE PAS, Man.—Every week the Hudson Bay Railway train is crowded with men on their way to Herb Lake to prospect on work for mining companies and it is estimated that 600 people are now located in this district within a radius of a few miles. Recently some new discoveries have been made at this point and there appears to be a general interest outside in connection with the activities in this section of our mineral belt. The government has built a road from the steel at mile 82 to the lake, a distance of fifteen miles which will be suitable for motor truck transportation. A telephone communication to The Pas has also been installed.

HEMATITE ORE FOUND

A discovery of high grade hematite ore six miles south of Michipocoten River is reported from the Soo. The range is said to be two miles long.

RESUME ON CASEY MT.

Casey Mountain Co., Casey Twp., is making preparations to resume work. Plans are to concentrate effort at the 335-ft. level.

NEWS OF THE BANKS AND BANKING

EFFORT TO MAKE BANK INSPECTION A PRACTICAL ONE

Business Man May be Appointed—No Salary Limit

From Our Own Correspondent.

OTTAWA.—The Bank Act amendments providing for government inspection submitted by the acting Minister of Finance, Hon. J. A. Robb, now before the House have been changed somewhat as compared with those first submitted to the banking and commerce committee. They relate, of course, to Section 56 A.

Clause 1, relating to the qualifications of the Inspector General of banks in amended form says that he shall merely require to have "proper training and experience," whereas it was originally provided that he shall have had "training and experience in the business of banking." It was felt that above all things the inspector should be a first class business man, and that the best man might be secured outside of banking. The intention also is to hold the Minister of Finance strictly responsible if anything more goes wrong, and it was thought that by giving him the widest possible latitude in the making of selections his responsibility would be the more complete.

The amendments also provide that the Minister may direct some other person to perform temporarily the duties of Inspector, if for illness or other cause the Inspector is unable to act. The committee refused to grant this power to the Deputy Minister.

Clause 5, relating to the employment of assistants, removes the original requirement that such persons shall have had experience in "banking and auditing," and requires that they shall merely have had "training and experience." The idea here also is to give the widest possible latitude in the making of appointments.

Clause 6 has been greatly changed and gives the Inspector very wide powers in the making of inspections. It reads:

"The inspector, from time to time, but not less frequently than once in each calendar year, shall make or cause to be made, such examination or enquiry into the affairs or business of each bank as he shall deem to be necessary or expedient, and for such purposes to take charge of the assets of the bank or portion thereof, if the need shall arise, for the purpose of satisfying himself that the provisions of this act having reference to the safety of the creditors and shareholders of each such bank are being duly observed, and that the bank is in a sound financial condition. The inspector, at the close of each such examination and enquiry shall report thereon to the minister."

This section originally provided that the Inspector, or "other person appointed or employed under this section acting under his direction," should make the inspection. But the committee decided to put the responsibility right up to the Inspector, and so struck out his right to delegate the making of inspections to subordinates.

Clause 9, relating to the powers of the Inspector to make examinations under oath has been made much more specific as follows:

"The inspector shall have all the powers conferred upon a commissioner appointed under the Inquiries Act for the purpose of obtaining evidence under oath, and may delegate such powers as occasion may require. Any person who refuses to give such evidence or to produce any book or document material thereto when required to do so shall be guilty of an offence against this act."

Clause 11, the provision requiring that the salary of the Inspector shall not exceed $25,000 a year was removed, it being now provided that he shall be paid a salary fixed by the Governor in Council on the recommendation of the Minister. The opinion was expressed that it might be necessary to pay more in order to get the right man, and that on the other hand if $25,000 were named it would practically be necessary to pay that amount.

Clause 16, setting forth that the Government shall not incur any liability to depositors or shareholders because of this inspection has been made a little more specific, but not materially so.

There was quite a discussion over the sub-section that provides that employees in this branch shall not be appointed by or subject to the Civil Service Commission, and an effort was made to place them under such authority. It was generally held, however, that as the work of inspection was of a special character, that as it required special qualifications and as the responsibility devolving upon the Minister and Inspector was of an unusually heavy character, they should have the right to name their own assistants and to make whatever rules for their direction that might be considered necessary.

Staff Gossip

O. Olafson, of the Bank of Commerce staff, and who prior to the amalgamation, was manager of the Bank of Hamilton at Weldon, has been promoted to the position of manager of a branch at Leslie, Sask.—The News, New Glasgow.

• • •

P. Luce, who has been accountant-teller in the local branch of the Union Bank for several years, has been promoted to the position of manager at Kelfield, Sask., and expects to leave for his new post early in July.—The Moon, Melfort.

Usual Audits Despite Government Inspection

From Our Own Correspondent.

MONTREAL.—Feeling among the banks is that government inspection would in no sense replace the shareholders' audit. The banks will want the definite audit by experienced accountants regardless of the government's inspection.

The general manager of one of the banks expresses the opinion that control of the opening of new branches should be more definitely in the hands of an official body. This organization might consist of government officials, of representatives of various banks or a combination of both, but he is inclined to feel that every proposed branch should receive authoritative approval before being opened.

ADMIRES SIMPLICITY OF OUR BANKING

American Banker Thinks Canadian System Has Effectively Built up Country

From Our Own Correspondent.

MONTREAL.—When the New York State Bankers' Association held their convention in Canada this year they followed the example of the American Bankers' Association which held an important meeting in Montreal last year. The convention this week consisted chiefly of discussions of banking problems indigenous to the United States and while Canadian bankers made the visitors welcome they took no very large part in their proceedings.

An interesting comment was made by the retiring president of the N. Y. S. B. A. on the Canadian banking system. This officer, Willis G. Nash, said:

"At a bankers' convention it is particularly appropriate for us to exchange a few thoughts about the part played by us in fomenting the pleasant and profitable business relationships between these two countries. Between the Canadian and American banking systems there exist some very close similarities and some extraordinary unlikenesses. The interesting thing is that both systems work and work well. We haven't had an easy time of it, however, during the last few months, and in neither country did the banks come through unscathed.

"What impresses every American is the simplicity and uniformity of the Canadian banking system. Only a baker's dozen of chartered institutions but with nearly 5,000 branches! In the many discussions of this subject which I have listened to from time to time, I have heard some very unfair and untrue criticisms directed against the Canadian systems. One of these is that it doesn't build up the country. Well, the facts mentioned a few moments ago seem to me to be the best disproof of any such assertion. Another objection made is that the system savors of monopoly. I don't believe this to be true. I think the business borrower gets just as fair treatment here as elsewhere. But there has been no lack of criticism even against our own federal reserve system, even though, as it seems to me, it is the best ever yet devised, so that you simply can't please everybody all the time. We keep patching and tinkering with our state banking laws from year to year, and the changes even in the federal reserve act have been many."

FORD BUILDING IN AUSTRALIA

Ford Motor, of Canada, will enlarge its Australian business by the construction in Melbourne of a plant where cars would be assembled, with a view to supplying India and other British Eastern possessions.

Exchange

New York funds have weakened somewhat during the week, presumably in anticipation of the flotation of a Canadian issue in New York shortly.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Jun. 19	1 3-4	1 11-16	2 9-32	2 1-4
Jun. 20	1 11-16	1 9-16	2 7-16	2 5-16
Jun. 21	1 9-16	1 1-2	2 31-64	2 13-32
Jun. 23	1 1-2	1 7-16	2 9-16	2 15-32
Jun. 24	1 7-16	1 9-32	2 15-32	2 13-32
Jun. 25	1 15-16	1 1-8	2 13-32	2 1-4

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
June 19	4.34⅛	5.39	4.33¼
June 20	4.33	5.38¼	4.28¾
June 21	4.33	5.41	4.32½
June 23	4.32 7-16	5.34½	4.32¾
June 24	4.31 15-16	5.28½	4.32¼
June 25	4.32 11-16	5.31	4.33

Weekly Bank Clearings

(In comparison with same week last year).

EASTERN CITIES

	June 21, 1923	June 19, 1924
Halifax	$ 2,941,770	$ 2,964,794
St. John	2,666,718	2,464,009
Moncton	914,581	783,401
Sherbrooke	858,902	999,518
Quebec	7,280,518	5,109,623
Montreal	106,252,517	96,788,084
Ottawa	9,214,877	6,755,209
Kingston	79[illegible],550	748,142
Peterborough	719,669	790,370
Toronto	98,823,675	86,383,242
Hamilton	6,155,979	5,096,215
Brantford	1,017,706	976,727
London	3,749,808	3,597,378
Kitchener	1,078,422	934,024
Windsor	5,812,541	3,488,679
Total, East	$248,281,183	$217,874,415

WESTERN CITIES

	June 21, 1923	June 19, 1924
Fort William	$ 864,874	$ 771,219
Winnipeg	39,420,767	44,041,765
Brandon	558,850	461,247
Regina	3,149,539	2,949,574
Saskatoon	1,477,913	1,516,455
Moose Jaw	1,134,847	1,039,842
Prince Albert	309,273	207,790
Lethbridge	485,861	472,001
Edmonton	3,626,380	4,143,804
Calgary	5,404,441	6,588,573
Medicine Hat	287,370	357,577
N. Westminster	554,147	579,003
Vancouver	14,594,006	15,116,521
Victoria	2,080,002	1,995,683
Total, West	$ 73,957,270	$ 80,241,054

INSPECTION OF BANKS SHOULD BE REGULATED

What the Merchants and Home Banks Have Taught

Now that the government has decided to meet public opinion in the matter of bank inspection, it is highly important that such inspection should be carried out in a manner which will be effective in preventing irregularities without impeding the smooth operation of the country's business machinery. The following article embraces suggestions as to what should be covered in the inspection regulations, particularly with regard to valuations, made by an experienced banker who has studied the affairs of both the Home and the Merchants banks.—J. W. T.

The announcement by the Acting Minister of Finance of a measure of government inspection of banks has met with public approval. Some bankers object to it, not so much because they resent the implication that it is necessary, as that they doubt its effectiveness. Others, chiefly the younger generation, welcome the idea, which, they feel, is more in accord with modern theories than the former system.

The form which the proposed inspection is to take has not yet been definitely announced, but in all probability the present system or audit by accountants appointed by shareholders will be utilized as far as possible, their reports being forwarded to government officials and analyzed by them. If this is to be the method the value of such analysis will largely depend upon the standard adopted with which the various loans and investments of the banks must be measured. Unless some clearly defined rule is laid down for the guidance of the inspector, it will place an undue responsibility on that official. In the United States, the only country where the system of government audit of banks is in force, there are very definite regulations. The percentage of cash reserves to deposits, the so-called fixed percentage of cash reserve, decides whether a bank is to continue. It is also definitely stated when cheques upon other banks may be considered in such reserves, as after a cheque has been deposited in a bank there, time must be allowed to collect it before it can be considered part of the bank's cash reserve and, consequently, the customer is not permitted to draw against it immediately in Canada. They have also a fixed standard as to the proportion of current assets to current debts a man's statement must show before his paper is available for rediscount in the Federal Reserve Banks. The rules in regard to what constitutes overdue paper are stated, and under them if interest is not paid on a loan for six months, it is a statutory overdue debt. A rule of this kind would have put the Home Bank out of business long ago, as, according to the liquidator's statement, the interest on some big loans never was collected, but was added to the debt and taken into the assets each term at the increased amount. It would also have forced the Merchants Bank to have faced the situation earlier. It will be remembered that in that institution the trouble was due chiefly to a loan to a firm of brokers against security which was steadily decreasing in value and the consequent transfer of several millions from their cash assets to what turned out to be practically a bad debt. Such supervision as is now to be the rule would have promptly discovered this, and stopped it before it had gone too far. Probably the mere fact of early discovery would have prevented those responsible from entering into the scheme in the first place.

In the formation of rules for the guidance of inspectors it is possible to make them so stringent as to hamper the business of the country and if this is done the last state will be worse than the first and much will depend, therefore, on the system adopted. What is wanted is a method which in operation will not interfere with the free working of the banks in the exercise of the functions for which they were organized and chartered.

It is usually admitted even by critics that the Canadian banks as a whole have been honestly and efficiently conducted. Errors of judgment have been made by all but when disaster has come it has been due not so much to errors of judgment but to deliberate malfeasance on the part of some responsible heads, knowledge of which was concealed as far as possible from those not directly connected with it until matters had gone too far for correction.

Deposits of Ontario Savings Are Doubled

Deposits in the Ontario Provincial Savings Bank have doubled in the past twelve months and now total approximately $20,000,000, according to Provincial Treasurer Price. The government's announced policy does not include aggressive efforts to increase these deposits and for the present at least further offices will not be opened

United Securities, Limited

Montreal, June 20th, 1924.

To the Shareholders of
Montreal Tramways & Power Company Limited.

Gentlemen:

United Securities Limited has been incorporated under Letters Patent of the Province of Quebec dated the 14th June, 1924, with an authorized capital of twenty million dollars ($20,000,000.) divided into two hundred thousand (200,000) shares of the par value of $100. each. A part of the capital so authorized will be issued in the form of Six Per Cent Non-Voting Cumulative Preferred Shares. Such shares will be preferred both as to dividend and as to return of capital. Effective provision will be made under which Montreal Light, Heat & Power Consolidated and The Shawinigan Water & Power Company will jointly guarantee that United Securities Limited will at all times have available earnings or will otherwise be furnished with the funds necessary to pay dividends at the rate of six per cent. (6%) per annum on such preferred shares.

Montreal Light, Heat & Power Consolidated and The Shawinigan Water & Power Company are severally subscribing for a large block of both the preferred and common shares of United Securities Limited and are paying for both classes of stock in cash at the rate of $100. per share. From the moneys so furnished it is intended to make such advances to Montreal Tramways & Power Company Limited as may be necessary to pay off its Current Liabilities as the same may be from time to time ascertained.

United Securities Limited has already arranged for control of the majority of the issued common shares of Quebec-New England Hydro-Electric Corporation (formerly Montreal Public Service Corporation). This Company through its holdings of the common stock of Canadian Light & Power Company controls that Company's properties and operations.

No stock of either class is being issued except for cash at par or in exchange for shares of Montreal Tramways & Power Co. Limited, and Quebec-New England Hydro-Electric Corporation.

United Securities Limited now makes the following offer to all holders of the common shares of Montreal Tramways & Power Company Limited viz.:—

United Securities Limited will acquire the whole or any part of the common shares of Montreal Tramways & Power Company Limited of an aggregate par value of seventeen million, five hundred and seventy-eight thousand, three hundred and thirty dollars ($17,578,330.) by giving in exchange therefor preferred and common shares of United Securities Limited (of the par value of $100. each) on the following basis, viz.:—
For each one hundred dollars ($100.) par value of Common Shares of Montreal Tramways & Power Company Limited, United Securities Limited will deliver in exchange a certificate or certificates aggregating fifteen dollars ($15.00) par value of its own fully-paid shares, of which seven dollars and fifty cents ($7.50) will be covered by a certificate for its Six Per Cent. Non-Voting Cumulative Preferred Stock and seven dollars and fifty cents ($7.50) will be covered by a certificate for its Common Stock.

The terms of this offer have been arrived at after a careful investigation of the balance sheet of Montreal Tramways & Power Company Limited, its properties, assets and liabilities and all present sources of available revenue. United Securities Limited are satisfied that under the circumstances the offer for exchange of securities now made to the shareholders is on a fair and reasonable basis. It would not appear that the common shares of Montreal Tramways & Power Company Limited have behind them any properties or equities representing larger value.

The reports recently made to the shareholders of the Company and the annual balance sheets issued to date do not disclose that the Company has sufficient revenue to meet its fixed charges, taxes and general expenses. The Company has shown a considerable annual deficit for several years past which, according to these reports, has reached an aggregate of about $2,000,000. It seem obvious that the short term financing carried on in the past cannot be continued indefinitely.

It is believed that the control of Quebec-New England Hydro-Electric Corporation and Montreal Tramways & Power Company Limited through a holding Company affiliated with strong Operating Companies will bring about a more efficient and satisfactory operation of the properties of these Companies and their Subsidiaries.

The present offer of exchange is open for acceptance until twelve o'clock noon (standard time) on the First day of August, 1924.

A substantial proportion of the issued common shares of Montreal Tramways & Power Company Limited has already been deposited for exchange in accordance with the terms of this offer.

All holders of the common shares of Montreal Tramways & Power Company Limited who desire to accept this offer must deposit their certificates duly endorsed in blank at the office of Montreal Trust Company, 11 Place d'Armes, Montreal, prior to the time fixed for the expiry of such offer. They will receive in exchange a negotiable Deposit Receipt entitling the depositor to receive a certificate or certificates for fully-paid preferred and common shares of United Securities Limited on the basis of the offer above set forth. Definitive certificates will be issued and delivered as soon as reasonably possible, notice of which will be given to each depositor by Montreal Trust Company.

Very truly yours,

UNITED SECURITIES, LIMITED,

Julian C. Smith

President.

THE FINANCIAL POST

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, JUNE 27, 1924

FOOLISH TO IGNORE PUBLIC

FACED at the opening of the present session of parliament with an agitation for something to remedy the situation revealed by the failure of the Home Bank, the government took the attitude that the amendments to the Bank Act passed at the last session provided the necessary safeguards and that an opportunity should be given to prove their efficacy. Therefore, a Royal Commission was appointed, evidently with the idea of side-tracking the issue for the time being.

At that time THE FINANCIAL POST pointed out that, while the course of the government might be sound and justified, it was not so much a question of what the government wanted to do as what the public wanted the government to do. And because the people were not satisfied to have the matter side-tracked the agitation for action became so strong that parliament took the matter out of the hands of the Government and put it into the hands of the Committee of Banking and Finance.

The result has been that Canada is to have government bank inspection. An experienced student of public affairs who understands thoroughly the working of the parliamentary machinery at Ottawa says that in his experience he has seen no more convincing demonstration of the power of the people to get the legislation they want.

Bodies like the Canadian Bankers' Association and the Canadian Manufacturers' Association frequently make the mistake of endeavoring to meet a situation by making an arrangement with the government without taking the public into consideration. Short-sightedly, they overlook that it is with the people and not parliament that they must deal in the long run. The government, backed by a majority in parliament, may for a time run contrary to public opinion but when the opportunity comes the voters will express their displeasure at the polls. An instance of this was the landslide against the Meighen government after Mr. Meighen had endeavored to carry on with a hang-over of the Borden administration. It was not so much a vote for Mr. King as it was a vote against Mr. Meighen and his government.

In granting government inspection as in making tariff reductions, the King government has met public opinion and is probably stronger politically than when the session opened. The Meighen government ignored public opinion and suffered the consequences when it sought endorsation at the polls.

WAGES CAN BE TOO HIGH

ABOUT one-third of the daily newspapers in Ontario have suspended or amalgamated in five years. There have been thirteen deaths since 1919, according to a trade paper, and there are now only thirty-six dailies in the field. There has also been an unusual number of fatalities in the job printing business and complaints are made to-day by trade union officials of the large number of men out of employment in this particular industry—many more, comparatively, than any other industry.

Many of the newspapers and business papers and periodicals generally are carrying record volumes of advertising but business is dull for the commercial printing houses. High costs are discouraging all but necessary catalogues, booklets, etc. Printers report many inquiries but when estimates are given they are so high that manufacturers and others find that they cannot afford to have the work done. Despite the Marking Act, a lot of commercial printing is being supplied by American firms.

Wages are the dominating factor in the costs of printing. Workers in the printing trades in Canada have been receiving from 25 to 33-1/3 per cent. annual income higher than other industries. Despite this high return and a downward movement in prices, a national strike was called to force a wage increase and a reduction from 48 to 44 hours a week—the whole being equivalent to an average increase in cost of about 40 per cent. This strike was inspired by union leaders under Bolshevik influences who were able, by insidious propaganda, to get the votes of the active union members as against the large element of passive members who did not vote. The latter were inclined to listen to the saner employers who pointed out that the demands being made were economically unsound because the buyers of the printing could not afford to pay higher prices and collect the increase from the public with the whole community demanding that the cost of living be reduced.

THE CASE FOR THE FARMER

MORE interested evidently in putting agriculture on a sound and profitable basis than in politics, Hon. Frank Lowden, former governor of Illinois, who is credited with turning down the Republical vice-presidential nomination, came to Toronto to tell the Rotary International of the importance of effecting an adjustment which will remove the handicaps from the farmer as compared with other classes in the community. Here is the crux of the situation as he described it.

"No community is complete which consists of city alone or of country alone. Intimate business contact between the two is inevitable. No one, I think, who has observed the course of events in the last few years will deny that agriculture is sadly out of gear with the other parts of the structure. The farmer since the war has been going through the hardest times he has had in the life-time of the present generation. There may be other causes contributing, but the main cause of this, I think, is now generally conceded to be the disparity between prices of the things the farmer had to sell and the prices of those he must buy. The modern device of the index number has shown beyond question this glaring inequality.

"There can be no permanent general prosperity until the disproportion between the prices of farm products and services and other commodities and services shall be wiped out. How to rid ourselves of this disparity, therefore, is not the farmer's problem alone. It is the problem of all.

"As things stand, this tendency will continue until farm production will fall so low that there will be a real scarcity of farm products and farm prices will rise to an even higher level than would be desirable. In the meantime a large proportion of the farm population will go bankrupt. Certainly this is not a pleasing prospect from the standpoint of either the producer or the consumer of farm products. If we would avoid this ruin I see but one way out. The farmer, too, must organize for the purpose of marketing his products."

Mr. Lowden is son-in-law of George M. Pullman, Chicago, and a former director of the Pullman Company. His interests are industrial and financial and it is from that standpoint that he seeks to restore prosperity in agriculture. His views are shared by other prominent American business men. In a recent address at Hartford, Howard Elliott, chairman of the Northern Pacific Railway, declared that American manufacturers and American industrial workers had benefitted under the country's laws while the agriculturalist "feels that the power of the government has been used to the advantage of these two classes to a much greater extent than it has been used to his advantage, and there is a dislocation now that is disturbing."

If the big business leaders of the United States are recognizing that an adjustment to restore more equitable conditions for the farmer is advisable for national prosperity, how much more is it advisable that the question should be considered in this country from a similar standpoint. Canada has a much larger proportion of her population dependent for prosperity upon the agricultural industry. As THE FINANCIAL POST has so often urged, the problem is not a sectional one—it is a national one. The business community should cooperate with the agricultural community to meet the situation. We cannot hope for a prosperous Canada until there is prosperity for the Canadian Farmer.

EDITORIAL NOTES

IF THE diplomatic disturbance between Great Britain and Mexico results in more British capital coming into Northern Ontario and other parts of the Dominion to develop our rich mineral and other resources it will be a good thing for Canada—and a good thing for the British investor.

* * *

IT IS unfortunate that old postal employees who have gone on strike will lose their seniority in going back but then if strikers in all cases had everything to gain and nothing to lose there would be little stability to the industrial situation and the public interest, and the interests of workers in general, would suffer seriously.

* * *

Even a postal strike is not without its red tape. When business houses and publishers tried to make arrangements with messenger delivery service in Montreal for distribution of letters and publications the post office officials interfered on the ground that it was against Canadian laws for private organizations to undertake the delivery of addressed letters and papers.

A Handicap in Life to be Born With a Silver Spoon

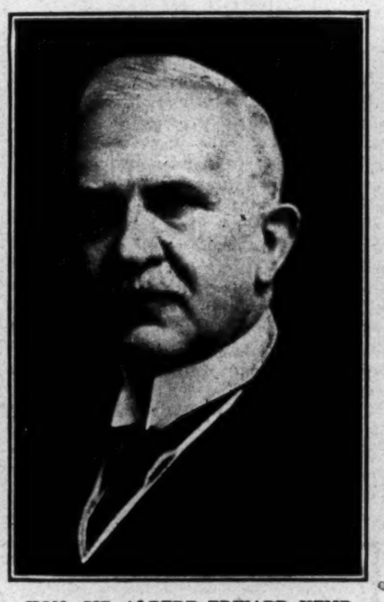
Hon. A. E. Kemp Also Believes That a College Education is Not Necessary to Success—His Own Career is Proof of His Contention—Canada Needs Leadership, He Says

By J. W. TYSON.

While he would not be likely to go so far as to say that a college education is a handicap to a business career, the Hon. Sir Albert Edward Kemp, K.C.M.G., does not believe that it is at all essential in the making of leaders in industry and in public life. Further, he will tell you that being born an heir apparent to wealth—with a silver spoon in the mouth—is a distinct handicap to accomplishing big things in the business or industrial world or carving out a career in public affairs. And Sir Edward should know something about it, for he struck out for himself when in his 'teens without any considerable education and without financial resources. To-day he is head of one of the country's largest industries which has been built up through his own efforts and a director of a number of important financial institutions; and he can look back upon a career in public life in which he played roles as important as any his country had to offer during the great world crisis precipitated by Germany in 1914.

It has been the ambition of Sir Edward Kemp to build up an industry which will employ good Canadian citizens on a basis to permit them to build comfortable homes and properly raise and educate their children, not only during his own span of life, but during generations to come. In that he has succeeded. The Sheet Metal Products Company of Canada is one of the country's big industries, and promises, under normal conditions, to continue to turn out its products in large volume and employ many workers. Sir Edward, like many other manufacturers, is disturbed by the present tariff tendencies, but he declares that it is fundamental that Canadian industry should have protection, and he believes that this will be realized by the Canadian people when the present period of economic and social experimenting has been shown to be detrimental to the interests of the whole country.

Sir Edward sees in the present situation a need for leadership of the right kind. From his experience in public life, including the chairmanship of the Federal War Puchasing Commission, the portfolio of Militia and Defence, and the Ministry of Overseas Military Forces, he declares that the important quality of the successful man in public life is the ability to size up a situation from all sides, to decide what is right and to stick to that decision, trusting in the future to justify his course and defying the political influences which are constantly being exerted, to shape the course of a public man, to meet the interests of certain individuals or groups. This, says Sir Edward, takes determination and courage. It is a wearing life—the life for a young man with energy and ideals for which he is ready to fight.


HON. SIR ALBERT EDWARD KEMP.

Leaves Family Roof

Albert Edward Kemp, the lad who struck out on his own from the little eastern townships village of Clarenceville, Quebec, when he was sixteen years of age, was not burdened with an education to give him false standards of life, and his material resources were carried in one of those little oilcloth (badly cracked) gripsacks, which were in use at that day, together with certain meagre financial resources, which did not bulge one trouser pocket. He took his departure somewhat surreptitiously one morning while the family was preparing for prayers. The decision came after it became evident that there was a serious difference of opinion between himself and his father—a farmer and country merchant of English ancestry, according to Who's Who and Why—as to the operations of certain small business and industrial ventures, and of which the parent displayed every intention of maintaining control.

Arriving in Montreal to make his fortune, the lad from the Townships made a decision in regard to his first investment which would have been regarded as extravagant by many in his position. With limited capital to provide for a bed and food, he decided upon the expenditure of a very large portion of the total in a suit of clothes and furnishings. Thus equipped, and with considerable confidence, he started out to find a job. He decided to consult a newspaper and, not finding that any were being offered on the streets just at the moment, whent to the office of the Montreal Herald, where he reached the quarters of the editor. The editor of the Herald, then a very influential Montreal paper, explained that he did not conduct all the individual sales of his paper, and told him that in half an hour or so he would be able to buy a copy on the street. The boy departed in haste, missing many of the steps on his way down stairs.

Finally, the country boy landed his first job. It was in a hardware store, where he was after the nature of a general servant, and was paid $2.50 a week for his efforts. This was the start of a fifteen-year period of hard work marked by a persistent determination to get on. During the first years, remittances from his mother helped out the meagre wages in the struggle for food and clothing. There were periods of discouragement and periods of homesickness, when the station was watched for the sight of familiar faces from home. But the boy who had left home to find his fortune remained steadfast in his quest.

During that period, after doing work of many kinds, young Kemp increased his worries without greatly improving his financial status, by going into a wholesale business on a small scale with a cousin. He also took unto himself a wife.

"Was that good business for one struggling upwards?" Sir Edward has been asked.

"Well, it certainly turned out all right," he responded with a smile, "but I would advise the average young man in approaching matrimony to have a little more in the way of liquid assets to anchor to than I had."

It was in 1885 that young Kemp came to Toronto and went into partnership in a small business manufacturing metal products. Shortly after the concern moved to the site of the present main plant of the Sheet Metal Products Company on Gerrard Street, and there was established the nucleus of the big concern, of which Sir Edward Kemp is president, with its plants in important cities across the country, and a national sales and distributing organization.

One of Kemp's earliest moves was to get his brother, the late W. A. Kemp, to join forces with him. Edward Kemp was the organizing genius of the business and the man who directed broad policies, who studied the balance sheets and did the financing. But he never pretended to be of a mechanical turn of mind. He wanted some one who delighted in designing pot handles and in inventing better ways to make dustpans, to handle the production end of the business. His brother fitted perfectly into the vacancy.

The two brothers Kemp were a great "team," this being the word used by most of their employees in describing them. W. A. Kemp was brilliant along mechanical lines. He was the man who invented that very clever, one-piece stove pipe elbow, that has practically displaced the old type of elbow, built up laboriously out of a number of pieces of metal. He introduced many other innovations to prove that his brother Edward had been pretty shrewd in the early days to get him into the business.

A. E. Kemp's ability to choose men who were able to carry on his business carefuly and profitably along the broad lines he established was the chief reason he was able, in after life, to give so much time to politics.

Lieutenant of Tupper

It was Sir Charles Tupper who was responsible for the plunge of A. E. Kemp, the young business man, into public life, when in the election of 1900 he was returned for the House of Commons. "I was young and displaying a good deal of energy in the conduct of my business," Sir Edward explains, in connection with this political venture, "and Sir Charles, having decided that he wanted me to run, used pressure which made it difficult to refuse. It was at a time when my business required about everything that I could give it, and I would not advise the average business man to go into politics under such circumstances—but, then, some one must perform public service."

"What is the necessary qualification for public affairs? What can the successful executive impart to national business in view of your cabinet experience?" was asked Sir Edward.

"What Canada needs is leadership," he replied. "The people will follow the right kind of leadership. There is a great need for public men of courage, energy, character, ability and determination. Men capable of properly sizing up a situation; who will come to a decision—a sound decision— on matters of public policy; who will act on that decision, and who will be willing to let results justify the course they have taken; men who will not be influenced by factional, political, and special interests in working out the main issues. It is a job for young men; I have done my turn," he concluded.

Elected first in 1900, the now Sir Edward was re-elected in 1904; defeated in 1908, he was again returned at the general election, 1911, by a large majority, and joined Rt. Hon. Sir Robert L. Borden's Government; elected by acclamation, Dec. 14th, 1916, and at the general election, Dec. 17, 1917, was re-elected. When the War Purchasing Commission was authorized by the Government in 1918, he was appointed chairman, and directed to organize the commission for the purpose of controlling war expenditure in connection with purchases of war supplies and transportation. From November, 1916, he had been acting as Minister of Militia and Defence. He was created K.C.M.G. early in 1917, and later in that year was appointed Minister of Overseas Military Forces.

Big Task Overseas

The overseas ministry involved a long and difficult task. In the House of Commons on May 27, 1919, Sir Edward spoke at length, reviewing his work on the other side, and laid before the House a report of five hundred pages, covering the activities of Canada's overseas forces. In concluding his address on that occasion he said:

We must realize that the war has made a new world. It certainly has made a new Canada, a very different Canada from what it was before the war. It is necessary not only for the soldier to fit himself into new conditions, but for the whole Canadian people to fit themselves into new conditions and to understand what the new conditions mean.

In closing, let me say that I understood to a great extent the responsibilities which I was assuming when after some misgivings I accepted the task of administering the overseas forces of Canada. The task was a dificult one; it taxed all my energies, but I would venture to say this, that I was always desirous of, and always aimed at, administering the overseas forces in such a manner as would meet with the approval of the Canadian people, once they were in a position to understand all the circumstances.

Britain Has Had Big Benefit From Preferences in Canada

Yet Has Steadily Denied the Principle of Imperial Preference at Home—Will Canada Now Abolish the Imperial Preference?

By RANDOLPH K. JONES, M.A.

Roundly denounced in the House of Commons, in the Senate, and in the Canadian Manufacturers' Association, preference for Great Britain is faced with a gloomy future. It faces abolition. The counts against it are considered serious; it has resulted in huge imports of British goods to the detriment of Canadian industries, and it is based on a principle that is steadily denied recognition in the Mother Country. The McKenna duties have been legislated out of existence; and why, it is asked, should the Canadian tariff system bonus an industry in Leeds or Manchester at the expense of a British industry in Montreal or Toronto, while the exodus of Canadians to the United States continues at an alarming rate?

Advantages to Great Britain

Many people in the United Kingdom have failed to discern the preferential element in the British preference that Canada has for a quarter of a century given. The advantages of preference to British industries have been held mythical. This attitude seems based upon the fact that the United States, a country against which the general tariff schedules of Canada apply, ships four times the value of goods here that Great Britain, enjoying the preferential rates, does. This is true; but what do the figures mean?

Figures in themselves convey nothing; and those who seek to interpret them without regard to the attendant circumstances generally go wrong. In this particular instance the environing factors are of the utmost importance, for they alone make possible a sound interpretation of the import figures.

For the fiscal year just ended the United States has shipped to the Dominion goods valued in excess of six hundred million dollars. Those from Britain have been over one hundred and fifty millions in value. But goods imported by this country are not all of the same class; and, for the purposes of considering the relative value of the Canadian market to the Britisher and the American, may be conveniently classed in five divisions. There are:

1. Natural products and raw materials, including coal, coke, raw cotton, raw silk, rubber, fruits, farm products, and the like.
2. Articles drawn principally from countries other than the United States and the United Kingdom, such as coffee, tea, precious stones, and sugar.
3. American specialties, mostly manufactured articles, wherein peculiar conditions of manufacture, transport, or distribution, leave a virtual monopoly with the Americans, in such things as recreational goods, farm implements, motor vehicles, electrical apparatus, wood products, books, and clay products.
4. Miscellaneous articles, such as settlers' effects, coin and bullion, that cannot be considered in competitive trade; and, finally, there are
5. Articles entering competitive trade between the two countries and chiefly constituted of manufactured goods, such as clothing, drugs, manufactures of the various metals, watches, clocks, prepared foods, manufactured tobacco, liquor, etc.

Mostly Raw Materials

Now, it is found from statistics of imports, contained in the publications of the Dominion Bureau of Statistics, that the first four classes account for two-thirds of the United States shipments here during the fiscal year 1924. That is, some four hundred millions of the total American exports here cannot reasonably be expected to be affected by the preferential. It is, then, only on the remaining two hundred millions that the influence of the more favorable terms accorded Great Britain can be considered. In the same way it is seen that the first four classes constitute only one-fourth of the British exports here. This means that nearly one hundred and twenty millions of the British total sales to this country are affected by the preference. This figure compares with the American two hundred million; and the ratio becomes 3.5; which puts the value of the preferential in an altogether different light.

Of the total competitive import Canadian trade, in which American and British exporters are rivals, the former has two-thirds, the latter one-third; and yet the United States has many factors in its favor. Proximity, ease and speed in delivery, similarity in tastes, styles, and needs, and the heavy American industrial investments here, all conspire to give the United States a dominant position in our markets. The time intervening between the receipt of an order and delivery may, for the Canadian, be measured in weeks when dealing with England, and in days when dealing with the United States. Moreover, ocean rates are sometimes heavily against the English exporter here, as compared with the rail freight from New York. This discrepancy is clearly seen at the present time in the item drugs and chemicals.

Advantages of U.S.A.

American exports here, American producers in Canada, American magazines, which dominate the Canadian periodical market, and a hundred kindred factors, have made Canadian wants very like the American. The American industrial investment here of eleven hundred millions, contrasts with the British of three hundred and fifty millions, to give the former a preponderatingly greater share of the demands of producers and wholesalers in the Dominion. The eleven hundred American branch factories in Canada are, naturally enough, going to be supplied from the United States producers, who supply the parent concerns there.

All in all, the marvel is not that the Americans succeed in claiming slightly more than two-thirds of the Canadian import trade, which is contested by Great Britain, but that the latter should succeed in retaining the one-third in the face of all the factors in the United States' favor. The influence of the preferential on this basis cannot be denied; nor can it for a moment be thought that Great Britain will succeed in maintaining the value of her sales here if the preference be abolished. The rehabilitation of the currencies, with a restored exchange rate for the English pound, will re-enforce the tendency certain to be inaugurated by the removal of the preference for British exports here, to seriously decrease.

Whether the millions in goods in such a contingency no longer imported from England, will be made in Canada or bought from the United States, will depend upon the height of the protectionist barrier which this country maintains against the republic to our south. The United States has a much greater scale of production than Canada, and, consequently, a relatively low cost per unit of production; and it will require a series of substantial tariff schedules to compensate the Canadian producer for this American advantage.

The portended abolition of the British preference may have either of two influences in Britain. It may cause the British people to appreciate the advantages of a preferential system within the empire, or it may lead them to believe—as many now do—that Imperial Preference is a dead issue. The latter effect can only be witnessed by a Canadian with the deepest regret.

CURRENT OPINION

NORMAL CONDITIONS
(Canadian Grocer)

A weakness which developed during the war period and immediately thereafter, which people seem unable to clear out of their systems, is the tendency to look for something to blame for what are termed "bad conditions." Even in times like these where many retailers, wholesalers and manufacturers are reporting increased volume of business, better credit conditions and better success in meeting competition, one still hears the wail for the return of normal times.

What are normal times?

Is it not likely that people's ideas of normal times have become greatly exaggerated or distorted due to the extraordinary conditions which prevailed during the war period and immediately thereafter? There are more producers in the field as result of that period of expansion and the liquidation which is proceeding among various trades is but a natural outcome of the process of readjustment. Certain industries have felt the strain more than others, but much progress has been made in readjustment.

One important business executive stated to Canadian Grocer this week that, taking everything into consideration, he thought conditions were to-day relatively as near normal as could be expected.

PERSONAL

HOWARD BIRD, general manager of Canadian Pneumatic Tool Co., with headquarters in Montreal, is moving to London, Eng., as managing director of Consolidated Pneumatic Tool, a company, which with its subsidiaries covers all Europe, Africa, and part of Asia. Donald Westbrook, Winnipeg, late of Minnesota where he was associated with the iron mining industry succeeds him while Samuel Seaver will take up the management of the mining branch. He at present lives at Timmins.

MAJOR F. D. BURPEE, new vice-president of Ottawa Electric Ry, has been connected with the railway since 1893, starting at the bottom of the ladder and steadily winning his way to the top. He was made assistant superintendent in 1898, superintendent in 1912, when Col. Hutcheson went to Montreal to take charge of Montreal Tramways and shortly after his return from overseas was appointed manager. In 1922 elected a director of Ottawa Traction the holding company owning O. E. R. stock. His latest promotion is to a post made vacant by the death of Warren Y. Soper who with Pres. Thos. Ahern promoted the railway.

JUNE - JULY INVESTMENTS

For those desiring to build up investment lists of good, sound securities, we suggest the following selections from our current investment list:

Security	Rate	Due	Yield
DOMINION LOANS All Issues	At Market		
ONTARIO	6 %	1943	5.20%
SASKATCHEWAN	5 %	1944	5.20%
ALBERTA	5 %	1940	5.20%
BRITISH COLUMBIA	6 %	1941	5.35%
HAMILTON	5 %	1937	5.15%
TORONTO	5½ %	1947	5.20%
SAULT STE. MARIE	5½ %	1954	5.40%
FORT WILLIAM	5 %	1933	5.50%
ST. LAMBERT	5½%	1952	5.50%
VICTORIA	5½%	1938	5.50%
EDMONTON	7 %	1941	6.10%
HOWARD SMITH PAPER MILLS, LTD.	7 %	1941	7.20%

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

ROUYN-QUEBEC

Reader, Hamilton. — Will you kindly give me some information about Rouyn Quebec Gold Mines? I bought 200 shares in March and some Rouyn Gold. I have had lots of letters on the latter but none on the former.

Little or no news is coming out in regard Rouyn Quebec mines. Practically the same people are behind Rouyn Gold and evidently are not ready to market the former. When the time comes for them to launch their campaign they will doubtless send you lots of data on the matter.

RADIO CORPORATION

G. W., Ontario.—What can you tell me about Radio Corp. of America. I saw it printed some time ago that they were paying dividends on their preferred on June 6. I have a few shares of the company and have not received any dividend.

Radio Corporation of America is paying 7 per cent. on the preferred, nothing on the common. The shares are selling around $4 1-16, par value $5. The bulk of these shares are held by four big companies, Telegraph and Telephone, General Electric, Westinghouse and United Fruit. This concern absorbed American Marconi and in this way some small blocks of stock in the company are held by the public. The company is reported to be in pretty good shape.

ERIE INVESTMENT

Wingham.—Several people here have bought Erie Investment shares. What do you think of the investment?

Erie Investment is a small oil proposition that has been operating for some years in the Glencoe field and which a few years ago branched out into the Texas field. There are 12 small producers in Texas with a production around 250 barrels and they are going to drill some 12 more. In the Glencoe field they have had 18 small wells producing for some time. The company has paid dividends, 5% in 1919, 2% in 1920 and 3% in 1921. Drilling operations in Texas cost $12,000 and so no disbursements were made in the last two years. Last year the company got as low as 69c. a barrel for its oil but this year it is doing better and it is said that there is a chance for a dividend. The marketability of a stock is important. Erie Investment has a small market. It is quite speculative.

As in a Looking Glass

The current number of "Investment Items" faithfully mirrors current financial and business topics. Investors may feel assured that its reflections are worthy of close attention.

No matter whom you are or where you are, if you are an investor, you should send for a complimentary copy. Just write our office nearest you.

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ROUYN ORE BODIES

C. B., Pennsylvania. — There are a number of ore bodies developed in Rouyn, the average values of which I am informed is quite low but mineralization is persistent and extensive. Could you give me the names of the companies and the managers?

Most of the companies operating in the Rouyn, Que., mining area are big concerns. Noranda Gold Mines, head office Haileybury, is a large New York company with tremendous gold-copper ore bodies. Nipissing Silver Mines, Hugh Park, manager, Cobalt; Coniagas Silver Mines, Fraser Reid, manager, Cobalt; Rouyn Gold Mines, Montreal; Rouyn Quebec Gold Mines; (the latter two are in the hands of practically the same people) are among other companies in the area. With the exception of the Noranda properties, all others are still very much in the prospect stage. Very good values have been encountered on some of the properties.

ATTRACTIVE INVESTMENTS

James, British West Indies.—I note that you say it is hardly advisable to have all my small capital in Royal Bank of Canada stock. I hold 18 shares, bought mostly at 222, and shall get rid of some at a favorable opportunity. I do not fancy parting with them at the present price of 216. I have a few hundreds available for investment at present. I want best yield compatible with safety, with, if possible, prospect of increased dividends. I am not concerned with easy marketability, but desire permanent investments with steady assured income. What about C.P.R. stock?

Securities that would give you an excellent yield and that have at the same time proven themselves reasonably safe include: Bell Telephone stock, yielding at the present time a little over 6 per cent.; Canadian Pacific Railway stock to yield about 6¾ per cent.; Canada Steamship bonds to yield about 7 per cent.; Canadian Cottons, preferred, to yield about 6¾ per cent.; and Steel of Canada, preferred, to yield 7 per cent.

GERMAN MARK

H. W., Toronto. — Apparently the Dawes report has been adopted by Germany, and for the present I notice that the old paper mark is stabilized at 24 cents per trillion. On the face of this do you think that it looks as if the mark (paper) will be repudiated, or will they in the future be worth anything at all?

It is difficult to get a quotation for practical purposes on the German mark. The nominal quotation in New York is four trillion, two hundred and ten billion marks to the dollar, or close to twenty-four cents per trillion. However, there might be a considerable spread on this quotation in an actual transaction. We are not inclined to think, in view of Germany's economic position and her supply of gold, that there will be any marked improvement in the value of the old German mark. However, it is doubtful if there will be actual repudiation. It may be simpler, as a matter of national bookkeeping, to pay off the old issue on the basis indicated rather than repudiate it.

BRITISH SECURITIES

W.M., Manitoba.—I am the holder of the following securities: £7,647, 5% British War Loan; £2.618, 4% British Funding Loan; £3,550, 4% Victory bonds and 390 shares in Great Wyrley Colliery Co. I also have 67 Royal Bank of Canada shares, bought at 214½ and 223. I missed the great chance a year ago, of realizing on the British securities when exchange was high, thinking it would go to par. I should like your advice as to whether I could make a better disposition of this money.

The problem of determining whether British securities should be sold at the present time or not is a difficult one to answer. On the whole we think it is a safe rule for the investor to be patient and not to sacrifice his holdings. No estimate can be made of the date on which sterling will finally have returned to par but it is to be expected that it will not be long delayed. The investor who is in a position to re-invest his interests of British securities in further British securities instead of bringing the money to Canada is likely to benefit still further when exchange does return to par.

NEW INSURANCE STOCK

Merchant, Ontario.—Will you please let me know the standing of the Ontario Equitable Life Insurance Co. in reference to the new issue of stock dated June 7th?

The Ontario Equitable Life and Accident Insurance Co. was organized in the fall of 1920 by a group of business men at Waterloo, Ontario. The company attracted attention because of the success in selling the first issue of its stock and securing a substantial volume of insurance. Since that date the company has developed rapidly. At present the company has an extensive field organization throughout Canada, which produces for it a steady volume of business. Those in charge of the company's affairs have had wide experience in the insurance field and the directors are highly regarded in financial and business circles.

In the case of a new life insurance company it usually takes a number of years to build up a sales organization and secure a substantial volume of business. Companies which have succeeded in doing this have returned handsome dividends to their shareholders. The stock is one which you should consider buying as a permanent investment, with the idea of holding it.

MILL OWNERS' MUTUAL

Druggist, Northern Ontario. — Will you favor me by giving me your opinion of the Mill Owners' Mutual Fire Insurance Co.? The Canadian Pharmaceutical Association has recommended that the druggists insure their stock and property with this company with a possibility of receiving a return each year on premiums paid. The first consideration for me is: Are they financially safe?

The Mill Owners' Mutual Fire Insurance Company of Des Moines, Iowa, was organized in 1875, and is regularly licensed to do insurance business in Canada by the Dominion Department of Insurance. The company maintains the required Government deposits and reserves on the business in force and is safe to insure with. In 1922 it had a surplus over all liabilities of $886,226. The assets at that time were $1,799,000.

The company issues both assessable and non-assessable policies. In the former case the insured pays one half of the named premium only but is liable for ten times that amount in case the company got into difficulties. No extra assessment has been made to date and in view of the large surplus it is not likely that any will be made. The men connected with the company have had wide experience in the insurance business and the record of the company has been highly satisfactory.

STOCKS ON EXCHANGES

E. B. E., Saskatchewan.—Can you tell me of a recent issue giving full information of companies dealt in on Toronto, Montreal stock and the mining exchange?

There is no publication which will give you all the details you are seeking. A. E. Ames and Co. and Wood, Gundy and Co., Toronto, publish booklets dealing with the various Toronto Stock Exchange issues. The Mining Hand Book which you can secure from any mining broker, will cover the mines. You might write some of the Montreal brokers for booklets on Montreal listed stocks. At the same time we would call your attention to the fact that from time to time you get all this information in much greater detail in THE FINANCIAL POST. Our industrial numbers review the position of some 100 to 125 listed stocks. All those worth while. Our mining number in November gives all the details of the mining shares, much more fully than any other issue. Our recent National Mining issue touched on the position of every issue that is worth while. Our Banking, Trust and Loan and other issues cover these groups very thoroughly. Filing the feature sections of these special issues over a year will give a most complete statistical record with comparative figures for three or four years, including price ranges, dividend records, directors, capitalization, bonded debt, etc.

GRANBY BOND ISSUES

J. L., Vancouver.—What is the standing of Granby Mining & Smelting bonds 1928 and 1925? Both issues are 7 per cent. flotations.

Granby Consolidated Mining and Smelting bonds are selling at from 89 to 90 in New York. This applies to both the 1925 and 1928 issue. There has not been a great deal of trading recently and the quotations given are probably nominal quotations.

You stated that both of the Granby Consolidated issues you mention are 7 per cent. quotations. The 1925 issue of debentures is an 8 per cent. issue and the 1928 bonds are 6 per cent. issue. Neither of these bonds has a very high rating chiefly on account of the somewhat difficult conditions that the Granby company has faced during the past few years.

Copper prices have been very low since the end of the war and the prospects are that they will continue low for some indefinite time. If Granby Consolidated had been able to sell its copper at 5 cents a pound more in 1923 than it got it would have represented additional profits of over a million and a half dollars which would have been equivalent to nearly 5 per cent. on the outstanding stock. As it was the cost of production was over 11 cents and the selling price of the copper was little more than 14 cents. This does not give a very satisfactory step between cost of production and the selling price. Nevertheless, it is understood that for the first quarter of 1924 the Company did operate at a profit.

In connection with the Granby issues it might be pointed out that the bonds are listed on the New York Stock Exchange and the price quoted would naturally be in New York funds.

July Dividend Payments

DIVIDEND PAYMENTS
Industrials, Utilities, Etc.

Company	Rate	Date	Amount
Abitibi Paper, com...	$1 q	15	$250,000
Do., pref.	1¾q	2	17,500
Amer. Cyanamid, prf.	1½q	3	83,838
Amer. Salesbook, com.	$1 q	2	30,730
Asbestos Corp. pref...	1½q	15	60,000
Belgo-Can. Paper, prf.	1¾q	2	70,000
Bell Telephone	2q	15	798,588
Bird & Son, pref. ..	1¾q	1	7,000
Brand.-Henderson, prf.	1¾q	1	8,750
Brazilian Tr., pref...	1½q	1	150,000
Brit. Amer. Oil	2+2q	1	220,000
Burt, F. N., com.	2½q	3	55,827
Do., pref.	1¾q	3	8,611
Can. Explosives, com.	1½	31	153,193
Do., pref.	1¾	16	81,375
Canada Bread, com...	1q	1	25,000
Do., pref.	1¾q	1	21,875
Canadian Car. pref...	3½q	10	262,500
Canada Cement, com.	1½q	16	202,500
Can. Conn. Cotton, p.	2q	1	60,000
Can. Cottons, com. ..	2q	4	54,310
Do., pref.	1½q	4	54,922
Can. Fairbk.-Morse, p.	3s	15	45,000
Can. Gen. Elec., com.	1½q	1	102,633
Do., pref.	1¾q	1	104,259
Can. Indust. Alcohol.	2q	15	200,000
Can. Locomotive, com.	1q	1	20,000
Do., pref.	1¾q	1	26,250
Can. N. Prairie Land	5s	15	75,000
Canadian Salt	2q	1	24,000
Can. Westinghouse ..	2q	1	148,558
City Dairy, com.	75c.q	3	105,937
Do., pref.	1¾q	3	12,250
Consumers Gas	2½q	1	200,000
Canada Paper, com. ..	3½s	1	20,601
Do., pref.	3½s	1	12,043
Cons. Smelters	3s	15	322,041
Dome Mines	50c.q	21	238,333
Dom. Canners, pref...	1¾q	3	40,085
Dom. Glass, com. ...	1¾q	1	74,375
Do., pref.	1¾q	1	-45,500
Dom. Power, pref. ..	1¾q	15	64,418
Dom. Stores, pref (A)	4s	2	11,180
Dom. Telegraph	1½q	1	15,000
Dom. Textile, com. ..	$1q	2	225,000
Do., pref.	1¾q	15	33,960
Duluth Sup, Tract., p.	$1	3	15,000
Dunlop Tire, pref. ..	1¾q	2	10,500
Dominion Linens, prf.	3½s	15	12,250
Eastern Theatres, pf.	3½s	31	17,500
Frontenac Brew., prf.	1¾q	2	5,250
Goodwins, pref. (arr.)	40¼	3	743,740
Goodyear Tire, pref..	1¾q	10	78,750
Do., prior pref. ...	1½q*	3	51,583
Gould Mfg., com. ...	1½q	2	11,212
Do., pref.	1¾q	2	13,080
Greening Wire, pref.	1¾q	1	11,375
Hillcrest Colls., com.	1½q	15	15,000
Do., pref.	1¾q	15	12,349
Hollinger Mines	1m	14	246,000
Holt, Renfrew, pref..	1¾q	2	17,500
Illinois Pwr., part., p.	1½q	1	28,129
Do., pref. cum. pfd.	1¾q	1	313,957
Illinois Traction, com.	50c.q	15	61,655
Do., pref.	1½q.	1	109,342
Intercol. Coal. com...	4s	1	20,000
Do., pref.	4s	1	8,716
Inter. Petroleum	25c.q	3	1,780,886
Jamaica pub. Ser., pfd.	$1.75q	1	9,625
Kerr Lake Mining ..	12½c.	14	75,000
Laurentide..	1½q	1	432,000
Laurentide Power ..	1¼q	15	131,250
Loew's Toronto, pref.	1¾q	15	11,442
Loew's London	3½s	15	11,900
Mackay, com...	1¾q	3	724,157
Do., pref.	1q	3	500,000
Maple Leaf Mill., prf.	1¾q	18	51,275
Montreal Telegraph ..	2q	15	40,000
Maritime Teleg., com.	1½q	2	12,750
Do., pref.	1½q	2	15,000
Do., pref.	1¾q	2	26,250
National Brew., com.	$1q	1	90,172
Do., pref.	1¾q	1	48,562
Nipissing Mines	3q	21	180,000
Northern Mex. Pr., p.	x7	2	210,000
North Star Oil, pf.	1¾q	1	17,500
Niagara Falls Pr., prf.	1¾q	16	271,352
Ogilvie Flour, com...	3q	1	75,000
Ottawa L. H. & Pr...	1½q	1	52,500
Do., pref.	1⅝q	1	24,375
Ottawa Traction	1q	1	55,815
Ottawa Car	1q	2	11,779
Ottawa Elec. Rly. ..	3q	1	56,316
Pacific Burt, com....	1½q	3	9,750
Do., pref.	1¾q	3	11,375
Page Hersey Tubes, c.	$1.75q	2	48,230
Do., pref.	1¾q	2	49,000
Penn. Water & Pr. ..	2q	1	169,900
Porto Rico Rly., pref.	1¾q	2	17,500
Price Bros.	½q	1	213,416
Provincial Paper, com.	1½q	1	52,500
Do., pref.	1¾q	1	29,750
Quebec Power, pref...	1¾q	15	38,552
Rogers, Wm. A., p.	1¾+1¾q	3	39,298
Shawinigan W. & Pr.	1¾q	10	350,000
Shredded Wheat, com.	2q	1	200,000
Smith H., Paper, com.	1½q	21	55,405
Do., pref.	2q	21	30,000
Southern Can. Pr., p.	1½q	15	37,500
Span. River Pulp, com.	1¾q	15	165,322
Do., pref.	1¾q	15	150,840
Sterling Coal	1q	3	25,000
Tri-City, pref.	1½q	1	45,000
Trinidad Electric	1q	11	11,640
Tuckett Tob., com. ...	1q	15	25,000
Do., pref.	1¾q	15	35,000
Twin City, com. ...	$2.00s	3	440,000
Do., pref.	$1.75q	1	52,500
Wabasso Cotton	$1.00q	3	35,000
West Ind. Electric ..	1¼q	3	10,000
West Koot. Pr., pref.	1¾q	2	8,750
Winnipeg Elec., pref.	1¾q	2	52,500
Woods Mfg., pref. ..	1¾q	1	27,070
Wright Hargreaves ..	2½q	1	68,750
			$14,065,284

BANKS

Banks—	Rate	Date	Amount
Dominion	3q	3	$180,000
Molsons	3q	3	120,000
Montreal C. & D. ..	$2.50q	3	49,952
Nova Scotia	4q	3	400,000
Provincial	2¼q	2	67,500
			$817,452

LOAN, TRUST, INSURANCE

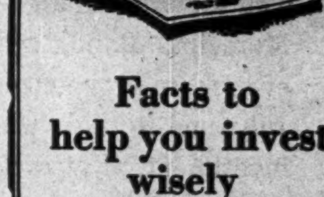
Brit, Mortgage Loan ..	6s	2	$30,000
Brit. Amer. Assur. ..	3½s	2	19,250
Canada Landed	2½q	3	30,125
Canada Permanent	3q	3	210,000
Canada Trust	4½s	3	45,000
Central Can. Loan ...	3q	1	46,875
Colonial Invest.	3s	1	18,786
Crown Trust	1½q	1	7,500
Canada Life	3¾q	1	37,500
Can. Mortgage Invest.	3s	2	37,311
Dominion Life	4q	2	6,400
Eastern Trust	2½q	3	25,000
Eastern Can. Savings	2q	1	15,000
Excelsior Life	4s	2	5,000
Great West Life	7½s	1	75,000
Guar. of N. Amer. ...	3q	15	9,138
Hamilton Provident ..	5s	3	60,000
Home Investment	2q	1	19,852
Huron & Erie Mtge. .	1¾q	2	87,500
Hudson's Bay, pref. ..	2½s	1	240,000
Imperial Life	3¾q	2	16,875
Landed Banking	4+½s	3	45,000
London Loan	1¾q	2	15,601
London & West. Trust	1¾q	2	8,750
Mercantile Trust	1½q	2	7,500
Monarch Mtge., pref. .	4s	15	40,000
Manufacturers' Life .	4s	2	12,000
Mutual Finance, pfd. .	4s	21	25,184
National Life	2½q	2	6,250
National Trust	3q	3	60,000
North Amer. Life	5s	2	3,000
Northern Mortgage ..	3s	2	59,505
Montreal Trust	3q	15	30,000
Ont., Loan & Deb. ...	2½q	3	43,750
Real Estate Loan	3½s	1	17,500
Royal Loan & Sav. ..	2¼q	2	13,500
Sterling Trusts	3s	1	17,040
Sun Life Assur.	7½s	2	63,750
Toronto Gen. Trusts .	3q	2	60,000
Toronto Mortgage ...	2½q	1	18,112
Toronto Savings	3q	3	30,000
Trusts & Guarantee ..	3s	2	42,822
Union Trust	1¾q	3	17,500
Western Assur., pfd. .	3½s	2	35,000
			$1,713,876

x—Year's accrued to Jan. 1921.
q—Quarterly.
s—Half-yearly.
m—Monthly.

BOND INTEREST DUE IN JULY

Company	Rate	Due	Amount
Abitibi Pulp	6	1940	$116,400
P. Burns	6½	1943	113,750
Asbestos Corp.	5	1942	70,635
Ashdown Hardware ..	5	1928	15,322
Atlantic Sugar	6	1935	32,850
Belgo Can. Paper	6	1943	240,000
Can. Pacific (Algoma)	5	1937	91,250
Do., (Viç. Roll. Sk.)	4½	1928	116,325
Canada Iron	6	1939	22,488
Cons. Rubber	5	1947	200,000
Can. Cottons	5	1940	109,572
Can. Locomotive	6	1951	41,061
Calgary Power	5	1940	72,742
Cape Breton Elec. ..	5	1932	3,600
Cedar Rapids	5	1953	345,182
Can. Light & Pr.	5	1949	162,500
Cons. Smelters	7	1929	105,000
Do.	7	1942	210,000
Chicoutimi Pulp	6	1943	55,020
Commercial Cable ...	4	2397	200,000
Cuba Railroad	5	1952	329,250
Can. Northern Rly. ..	3½	1958	138,188
Do.	6½	1946	812,500
Can. N. Alberta Rly. .	3½	1960	55,122
Demerara Elec.	5	1929	12,500
Dominion Iron	5	1929	138,745
Detroit Rly.	4½	1932	273,870
Duluth S. Shore	5	1937	95,400
Eastern Car	6	1952	26,910
Hydraulic Power	5	1950	87,500
Inter. Milling	6	1930	16,815
Laurentian Power ..	6	1936	42,000
Laurentide Power ...	5	1946	187,500
Kaminstiquia Pr. ...	5	1937	47,075
Maritime Tele.	6	1941	45,000
Mexico Trams	6	1966	213,378
Mississippi River Pr.	5	1951	470,742
Montreal L. H. & Pr.	4½	1932	141,775
Montreal Trams	5	1941	452,125
Minn. S. S. M.	4	1926	162,720
Minn. St. Paul	4	1938	1,137,260
Do.	5	1938	153,700
Do.	4	1949	70,000
Do.	6	1946	75,000
National Brew	6	1939	40,200
N. S. Steel	5	1959	136,277
Niagara Falls Pr.	5	1932	250,000
Do., 1st & Ref.	5	1950	87,500
Northern Ont. Light	6	1931	135,195
Ontario Steel	6	1943	13,920
Ont. Pulp & Paper ..	6	1931	36,492
Ottawa Gas	5	1934	3,750
Penn. Water	5	1940	296,950
Rio Janeiro	5	1935	625,000
Saguenay Pulp	6½	1919-34	175,500
Sherwin Williams ...	6	1941	51,045
Simpson, Robt.	5	1952	48,215
Smith H. Paper	7	1941	90,167
St. Law. Flour	6	1941	2,895
Steel of Can.	6	1940	208,494
Shawinigan	5	1934	95,212
Do., (B)	6	1950	160,020
Do., (C)	6	1950	131,250
Sterling Coal	6	1940	38,700
Sherbrooke Rly.	5	1927	2,500
Do.	5	1940	37,500
Sao Paulo Elec.	5	1962	243,332
Sydney & Glace Rly.	5	1932	9,100
Span. River Pulp ...	6	1931	57,291
West Dry Dock	6	1932	15,600
Western Coke	5	1924	11,250
Windsor Hotel	6½	1943	81,250
Western Power	5	1949	125,000
Winnipeg Elec.	5	1935	106,837
Winnipeg Elec.	5	1927	18,162
Wpg. Selkirk Rly. ..	5	1925	25,000
Wpg. Terminals	4	1939	60,000
Vancouver Pr. Deb.	4½	1953	10,963
Do., perp.	4¼	——	153,000
West. Que. Power ..	6½	1931	8,125
Corporation Bonds			$11,100,464
Municipal Bonds			x3,400,000
Provincial Bonds			x2,800,000
			$17,300,464

x—This figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.



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3½ year 6% Bonds Due 1 December, 1927
Price 102.39 and interest to yield 5.25%
Denomination: $1,000—Interest June and December
Circular giving complete details mailed on request.
Orders may be telegraphed at our expense.
Municipal Bankers Corporation Limited
34 King Street, East, Toronto

We offer
Canadian Paperboard Company Limited
First Mortgage 7% Sinking Fund Gold Bonds
Dated April 1st, 1922. Due April 1st, 1937.

BONDS OUTSTANDING	$770,000.00
TOTAL ASSETS SECURING BONDS (not including goodwill, contracts, etc.) Equal to over $3,700 per $1,000 bond.	$2,853,940.14
EARNINGS available for bond interest for past six years have averaged	$145,352.00
EARNINGS for calendar year 1923	$191,000.00
BOND INTEREST REQUIREMENTS PER YEAR	$53,900.00

Descriptive circular on request.
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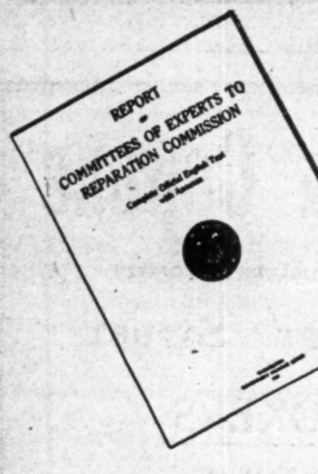

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NEWS AND VIEWS ABOUT BONDS

CHEAP MONEY IS RAISING PRICES IN BOND MARKET

Marked Upward Movement—Where Will Ottawa Borrow?

The upward movement in Dominion bonds has been the feature of the Canadian bond markets, being the most significant development in many months. The higher prices for Victory and other Government issues were reflected in stronger quotations, also for municipals and industrials. The trend is a reflection of the demand for securities of this class, which has developed since the abnormally low money rates have prevailed in New York. Evidence of the strong basis for both short term and long term issues is to be found in late New York quotations. Ontarios. maturing Aug. 15th this year, are quoted to yield only 3.50 per cent., Albertas due May, 1925, to yield 4.00 per cent., and British Columbias due June, 1925, to yield 4.20 per cent., while Saskatchewan due December, 1931, Torontos due December, 1933, and New Brunswicks due January, 1934, are selling on a basis to yield only 5 per cent. Other long-term Canadian provincial and municipal issues are being offered to yield 5.10 to 5.30 per cent.

As yet the demand for bonds in New York has not resulted in any large volume of Canadian issues going to that market, but there has been a movement there of several American issues which were held in Canada. Should the money plethora continue, it will undoubtedly be a factor in the Dominion financing which has been forecast at Ottawa. Reports from the capital indicate that Mr. Robb will do his borrowing, which is expected to total in the neighborhood of $200,000,000, where he can get the best rate. The feeling in bond circles is that it will be divided between New York and the home market, and that it will be delayed until the fall, rather than being carried out in the summer following the adjournment of the House.

At Home or Abroad

Ottawa's announcement of proposed borrowing has again raised the controversial issue as to the advantages of floating such issues in the Canadian market, or whether the capital of Canadian investors should be made available to Canadian industrial and other enterprises, while funds for governmental purposes are secured in foreign markets. The point is being made that if the banks—now finding comparatively small demand for current loans at home, and a rate in New York which discourages the placing of call funds there—continue to buy government and other bonds, they will have such large holdings of the securities that they will have difficulty in finding a market for them when the demand for commercial funds revives. The bank statement indicates that the banks already have large holdings of federal, provincial, municipal, and other bonds.

Bidding is Keen

The new issues of the week indicate a normal situation for the season. There has been close bidding and strong prices. Dealers' lists are generally low. In the case of the County of Ontario issue, for instance, not only was the successful bid of 102.17 a good price, but there were four other bids between that figure and 102.03. Issues of Quebec and Moncton brought good prices.

In the case of Whitby, it was decided not to accept any of the tenders submitted, and it was announced that the issue would be made over the counter to local investors at par. This situation is not understood in bond circles, in view of the fact that two of the bids were considerably above par, the highest being 100.22.

An interesting sidelight is the report that Canadian banks are buying American funds in New York, and gossip says it is preliminary to a National railway issue to be made in that market. It has been known that the National system has some financing to do, but there has been no definite announcement, and this development is taken to indicate that the offering will be made in the States.

Governments Interested in Matapedia Issue

A syndicate composed of McLeod, Young, Weir and Company, of Toronto, and J. M. Robinson & Sons, of St. John, N.B., are offering $350,000 6½ per cent. first mortgage full sinking fund bonds of the Matapedia Valley Light and Power Company. The bonds are being issued to finance the building of a steel and aluminum transmission line from Grand Metis Falls on the St. Lawrence River to Matapedia on the New Brunswick border, from which point the town of Campbellton will carry the power into its own municipality.

A special feature of the issue is the twenty-year guarantee of an annual payment of $40,000 by the town of Campbellton, N.B., to the company to insure a supply of a minimum of 1,100 h.p. for municipal and domestic lighting and heating purposes.

The payment of principal and interest is also unconditionally guaranteed by the Lower St. Lawrence Power Company, Limited.

REDEEMING BONDS

Toronto Paper Mfg. Co., has called for redemption September 1 all the outstanding six per cent. first mortgage sinking fund gold bonds at $110. Payment will be made in New York funds at the head office of the Royal Bank of Canada, Montreal.

Detroit United Railway Placed $9,000,000 Issue

Detroit United Railway has placed an issue of $9,000,000 first mortgage and collateral trust sinking fund, five-year, 6 per cent. bonds, with Dillon, Read and Co., New York, and this company offered them at 99 and accrued interest to yield 6.24 per cent. The bonds are dated July 1, 1924, and are secured by direct first mortgage liens and 246 miles of electric railroad including lines from Detroit to Flint, Mich., and from Detroit to Pontiac, Mich.

The bonds are secured also by a pledge of the entire capital stock of the company owning the remaining 357 miles of railroad, operated as a part of the Detroit United System, subject to $9,900,000 of divisional bonds. D. U. R. has called in all of its 20-year first mortgage collateral eight per cent. sinking fund gold bonds for redemption on July 25 at 107½ and accrued interest.

National Cement Co. Sells Its Bond Issue

MONTREAL.—After many months of negotiations that have been conducted in various directions without fruit, the National Cement Company has arranged its bond financing. A syndicate of three local houses and one Boston house have underwritten $1,500,000 of 7 per cent. bonds which will be offered to the public at par with a bonus of 20 per cent. in common stock.

The issue will have the backing of the cash investment in the $1,000,000 preferred stock which is stated to have been entirely subscribed and paid for at a favorable price.

SAGUENAY PULP BONDS

Saguenay Pulp and Paper is meeting this week to discuss the interest payment due on July 1st. Indications are that payment will be made on due date. The Bondholders' Protective Committee is also to hold a meeting to discuss the re-organization question.

STEEL OF CANADA MAKES OFFER TO REDEEM BONDS

Holders of 6 per cent. 30-year bonds of the Steel Co. of Canada Limited, due 1940, are in receipt of the following notice from the Royal Trust Co., trustee: Under the terms of the trust deed executed in favor of the Royal Trust Company, on July 1, 1910, the Steel Company of Canada is to pay to the Royal Trust Company on July 1, 1924, the sum of $266,108.46, to be invested in the purchase of bonds of the Steel Company of Canada, Limited, under the sinking fund provisions in said trust deed. Offers of these bonds are invited up to the 30th June, 1924, and the right is reserved to reject all or any offers.

The Week's Bond Sales

MONCTON ISSUE $75,000

Moncton, N.B., disposed of an issue of $75,000, twenty-year, five per cent. bonds to Wood, Gundy & Co., at 97.29. The bids:

Wood, Gundy & Co.	97.29
Macneil, Graham & Co.	97.11
Ames & Co.	96.84
Gairdner, Clarke & Co.	96.63
McLeod, Young, Weir & Co.	96.54

WHITBY DECLINES TENDERS

Whitby was not satisfied with the bids for its $72,000 issue of 5½ per cent. 30-year bonds. Wood, Gundy & Co., bid highest with par plus .22. It is said that the town will offer the bonds over the counter to local citizens at par.

Wood, Gundy & Co.	100.22
Gairdner, Clarke & Co.	100.127
C. H. Burgess & Co.	99.66
Bain, Snowball & Co.	99.398
Dominion Bank	99.31
Bell, Gouinlock & Co.	99.21
McLeod, Young, Weir & Co.	98.07

COUNTY OF ONTARIO

Dominion Securities Corp. has been awarded the County of Ontario issue of $164,000, 5½ per cent. 20-year instalment debentures. The price was 102.17 which makes the cost 5,242 per cent. The bids:

Dominion Securities Corp.	102.17
Wood, Gundy & Co.	102.15
Cochran, Hay & Co.	102.12
Gairdner, Clarke & Co.	102.113
Bain, Snowball & Co.	102.038
Doherty Easson & Co.	102.05
Macneill, Graham & Co.	102.03
Matthews & Co.	101.92
Dyment, Anderson & Co.	101.807
Housser, Wood & Co.	101.81
McLeod, Young, Weir & Co.	101.77
C. H. Burgess & Co.	101.77
Municipal Bankers	101.707
A. E. Ames & Co.	101.163
Stewart, Scully & Co.	101.60
Murray and Co.	101.45

QUEBEC CITY ISSUE

An issue of $590,000 Quebec City, five per cent., thirty-year, serial bonds, due June 1, 1954, has been sold to Wood, Gundy & Co. at 97.638. Alternative bids thirty-year serial bonds or thirty-year straight term and the bid for the former, being considered the more attractive, was accepted. The bids:

	Serial	Straight
Wood, Gundy & Co.	97.62	.....
R. A. Daly & Co.	97.61	.....
Matthews & Co.	97.419	97.09
National City Co.	.....	97.56
Dominion Securities Corp.	97.534	97.534
McLeod, Young, Weir & Co., and Gairdner, Clarke & Co.	97.28	96.65

UTILITY BONDS IN 1923 THE LARGEST ISSUE IN HISTORY

Approximate Total $35,000,000 Bond Dealers' Association is Told

The character and adequacy of the information made available to the investing public by public utility companies, has been improved and enlarged considerably in recent years. The day has passed when any company, either an operating or holding company, can afford to withhold any material information from the investors in its securities or from the public. The interest of the security house is at one with that of the public in demanding and making known complete and understandable statements as to utility earnings and position in order that the investor can judge the character of the risk which he is assuming, said R. D. Bell, Dominion chairman of the Bond Dealers Committee on Public Utility Financing. The report said that closely associated with the future of Canada as a manufacturing country is the abundance of its water powers.

The Dominion Water Power Branch of the Department of the Interior, Ottawa, in April, 1924, estimated the total available horse power capable of development in the Dominion of Canada to be 18,255,316, of which approximately 7,000,000 is in Quebec and 5,000,000 in Ontario. As against this there is at present developed only 3,227,414 horse power.

That Canada is rapidly awakening to the value of and the necessity of developing these natural resources is made evident, among other things, by the volume of hydro electric power financing being undertaken each year. The amount of bonds issued for Canadian public utility purposes in the year 1923 was approximately $35,000,000 and is the largest on record in the history of the Dominion. The previous peak was reached in the year 1912, when $32,000,000 of Canadian public utility securities were sold. Development during the past ten years has been retarded by the outbreak of the war and the subsequent curbing of the normal expansion of the country, and it is only during the past year that a substantial growth has again taken place, evidencing as it does, the magnitude of our latent natural resources, and the increasing demand for power resulting from the expansion in mining, pulp and paper enterprises and general business.

Two-thirds of the 1923 financing represented new developments or enlargement of capacity of existing plants located in Quebec and Eastern Canada, the balance being attributable to Ontario and Western Canada, and two issues representing Canadian investment interest in public utilities abroad, namely: those of the Jamaica Public Service Company and the Camaguey Electric Company.

The $35,000,000 of public utility bonds issued during 1923 were distributed as follows:

Canada	74%
United States	19%
London	7%
	100%

as compared with 1922, when only $10,000,000 bonds were issued, distributed as follows:

Canada	72%
United States	28%
	100%

The security afforded by public utility bonds is generally of a high grade and in view of the increasing prices of government and municipal bonds, it is not surprising that securities of this type are finding increasing favor with investors both here and abroad.

Drummond Investment Makes Second Issue

From Our Own Correspondent.

MONTREAL. — Royal Securities Corporation have arranged further financing for Drummond Investment Company which last year issued $2,000,000 of bonds to pay for a large apartment house in Montreal. The new financing takes the form of an issue of $650,000 of 7 per cent. general mortgage bonds due 1938. They are being offered at 98½ to yield 7.15 per cent.

Proceeds of this bond issue will be used to clear up outstanding accounts in connection with the construction of the Drummond Court Apartment Building.

Offer Bond Issue for New Church in Montreal

MONTREAL.—Versailles, Vidricaire, and Boulais, local bond house, have purchased and are offering to investors, $125,000 of 10-year 5½ per cent. bonds of the Fabrique of Ste. Claire de Tetrautville. The money will be used by the parish for the construction of a new church.

BOND MOVEMENTS OF THE WEEK

Week Ending June 24

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Canada Bread	6	1941	6.95	100	96	102	99	100¾	100¼	100½	—
Can. Cement	6	1929	5.94	103½	100	103½	100	100	—	100¼	100
Cedar Rapids	5	1953	5.11	98½	93	99¾	95	—	99¼	98¼	—
Dom. Coal	5	1940	5.18	96	94	98	94¾	96½	—	98	—
Quebec Rly.	5	1939	6.44	83½	68	86	80	—	—	86	85
Wabasso	6	1947	6.67	96	85	96⅝	90¾	—	—	92	—
Wayagamack	6	1951	8.30	86¾	75	80¾	74⅞	—	—	75¼	—
Winnipeg Elec.	5	1935	6.49	94½	86½	88⅛	85⅝	88	—	88	—
War Loan	5	1925	4.47	100.95	99.10	101.15	100.15	100.90	100.80	100.80	100.50
Do.	5	1931	4.87	101.80	99.80	101.90	100.15	100.90	100.80	100.80	100.50
Do.	5	1937	4.76	103.30	102.00	103.30	102.10	102.60	102.50	102.50	102.20
Victory	5½	1924	4.47	101.65	99.80	100.90	100.05	100.60	100.50	100.50	100.30
Do.	5½	1927	4.71	103.50	101.60	103.15	102.15	102.65	102.55	102.50	102.30
Do.	5½	1933	4.88	106.70	104.15	106.65	104.30	104.80	104.70	104.85	104.40
Do.	5½	1934	5.10	103.90	101.30	103.30	102.00	......	103.30	103.25	102.75
Do.	5½	1937	4.81	108.45	106.25	108.17	106.30	106.80	106.70	107.05	106.30
Do., Renewal	5½	1927	5.06	102.80	100.75	101.80	101.00	101.75	101.50	101.45	101.35
Do., Renewal	5½	1932	5.10	103.15	100.80	102.75	101.35	102.60	102.50	102.60	102.20
Do., Refund	5	1928	4.93	99.70	98.80	100.50	99.40	100.30	100.20	100.40	100.25
Do., Refund	5	1943	4.99	99.25	97.90	100.50	98.00	100.15	100.05	100.25	100.00

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CIVIC AND PROVINCIAL FINANCE

MONTREAL NEEDS $5,000,000 DURING THE COMING YEAR

City Treasurer's Reports Vigorously Uphold Credit Standing

From Our Own Correspondent.

MONTREAL.—Denying the oft repeated charge that Montreal has not established sinking funds to redeem its debts, the assistant city treasurer, P. Collins, in his annual report analyzes the city's debt to show the high proportion that is covered by at least some small sinking fund.

Mr. Collins points out that of the city's total debt amounting to $128,890,987 there are sinking funds in operation on debts to the amount of $76,107,123. Debts without sinking funds amount to $52,783,864 but after deducting the perpetual debt of $7,504,800, nearly all of which bears 3 per cent. interest and which it would not be advisable to amortize even if it were possible, and the local improvement debt of $7,000,000 for which there are liquid assets far in excess of that amount there remains of the old city debt $31,039,913 together with the debts of annexed communities of $7,239,151 or $38,279,064 of debt that is amortizable but for which no sinking fund has yet been provided.

Analysis of Montreal's Debt

Mr. Collins makes the following analysis of the city's debt which will be of value to bond dealers and buyers of municipal debentures:

Funded debt of the city; as at Dec. 31, 1923		$128,890,987
Liquid Assets—		
Sinking fund, Dec. 31, 1923	$ 9,109,950	
Local improvements, special taxes collectable	7,845,411	
Local improvements, special taxes, proprietors' share not yet levied	5,436,668	
Real estate to be sold	1,500,000	
	$23,892,029	
Net debt		$104,998,958

It will be noted this system of figuring net debt differs from that customarily followed.

On the basis of the directory estimate of the population of Montreal in 1923, which is given as 836,304, the net debt of the city per capita is figured by the assistant city treasurer at $126 as against $162 in 1916. If the water works debt of $26,618,261, which is revenue-producing and self-sustaining be deducted from the above, the resulting per capita net debt will be less than $100.

City's Assets Valuable

Mr. Collins estimates the capital assets of the city at $153.878,153. This is the book value but he points out that many of the items that make up the total have a real valuation much greater than the figure at which they are entered in the books of the city. For instance, municipal properties and equipment which cost to date $25,261,004 have an actual value of over $80,000,000. Mount Royal Park which originally cost the city $1,257,013 and which is entered on the balance sheet at that much is valued by the city assessors at $21,000,000. Lafontaine Park, which cost $600,777 is valued at $4,593,000. St. Helen's Island Park cost $251,937 and is worth at least $1,000,000. The city's water works are self sustaining, the water revenue being the second largest item in the city's budget. The market also produces a surplus of revenue over expenditure.

Mr. Collins concludes "The increasing revenue receipts reflect the advancing prosperity of the city without any increase in the tax rate. Tax collections have been exceptionally good during the year. Expenditure has been kept down. . . . The credit of the city is on a level with that of cities of the United States which have the highest credit rating in the world."

The report indicates that Montreal has authorized loans to the amount of $10,219,000 which are as yet unissued. Of this amount $5,149,000 is needed this year.

Municipal Notes

YORK ISSUES ROAD BONDS

At a recent meeting of the York County council it was decided to draw up a bylaw approving the issuance of 20-year debenture bonds, bearing interest at five per cent., and totalling $366,000 for the purpose of road construction.

STUDIES TAX COLLECTION

That the city of Kitchener is gaining a reputation through its efficient methods of tax collection, is apparent from the fact that it generally has an unusually small amount of taxes outstanding. Last week the city of Niagara Falls sent a delegation to Kitchener to study its methods of collection.

CHATHAM SCHOOL BONDS

The board of education of the city of Chatham has decided to ask the city council to issue debentures amounting to $250,000 for the purpose of building a new vocational school in the city. In the event of this being refused, it was decided to request that the question of vocational education be submitted to the ratepayers.

KINGSTON TOWNSHIP HAS SURPLUS

The township of Kingston received an agreeable surprise to find instead of a deficit, as was expected, there was a cash surplus of more than $23,000. The township has been in the limelight recently on account of alleged shortages, but recent investigations show that the reverse is the case, and that the tax rates levied last year were unduly high. According to a complete report just issued the records of the township have been in rather bad shape.

GREY COUNTY TAX RATE

At a recent meeting of the council of the county of Grey, Ontario, the tax rate for 1925 was set at 8 mills. The rate is divided into 4½ mills as the general rate and 3½ mills to provide for county road improvements. The former is expected to yield $132,248.60, and the latter $102,760.02. The increase in rate was due to the fact that last year's appropriations had been exceeded to the extent of $31,839.56. Expenditures were increased all along the line, especially for educational requirements and for country roads.

NO HAMILTON OVERDRAFTS

The city of Hamilton has kept well below its appropriations for the first five months of the year. Some departments are close to the line, others slightly over it, and a few have effected a saving. The net result is that all departments combined have spent some $15,300 less than their proportions of the year's appropriations. During the five months ending May 31, $1,013,119 was spent out of a total appropriation of $2,468,228. The continuation of this rate of spending would enable the city to complete the year without an overdraft.

HAMILTON INTRODUCES ECONOMIES

Hamilton plans to cut down overhead by eliminating duplication in certain departments of administration. The initial steps were taken last week at a joint meeting of the board of control, the board of health and the board of education.

The chief cause of overlapping, apparently, was in the fact that the board of health would not accept the report of the school health department nurses with regard to contagious diseases, on the ground that the board of health was responsible, and this duplicated the system of medical inspection in the schools. It was pointed out also that there was overlapping in the social service work that could easily be avoided with some adjustment. While the complete amalgamation of the two health services was not discussed, it was felt that very substantial co-ordination could easily be arranged.

COMPARES REVENUE AND EXPENDITURE OF ALL PROVINCES

Citizens' Research Institute Seeks Uniform Systems of Accounting

A valuable contribution to the study of governmental revenue and expenditure in Canada has been made by the Citizens' Research Institute of Canada in a pamphlet recently compiled by Dr. Horace L. Britten, chairman of the institute. After making reference to the two possible methods of reducing the cost of provincial government in Canada either by uniting certain of the provinces or by improving existing internal administration, the pamphlet sets out revenue and expenditure, per capita, of the various provinces. Following are the figures given:

1922	Net rev.	Expend.
British Columbia	$30.42	$33.24
Alberta	11.40	14.65
Saskatchewan	9.10	9.60
Manitoba	9.12	10.00
Ontario	9.46	9.95
Quebec	7.93	5.80
New Brunswick	6.22	6.70
Nova Scotia	7.00	6.97
Prince Ed. Island	4.28	4.22

While it would probably appear that a study of the relative economic habits of the various provincial governments could be made from a direct comparison of all the accounts, it does not at all follow. In fact it would be quite misleading to make such a comparison without taking into account various factors which have a bearing on the situation as for example, such factors as the financial relations between provinces, municipalities, and the federal government, etc. The dangers involved in such a comparison are thus expressed:

"Differences in expenditures and revenue are not necessarily bases for adverse criticism, but rather reasons for questioning as to the causes of differences.

"It is from this standpoint that the Institute believes that the publication of such information as is given in this series is indispensable to effective citizenship and, therefore, to efficient government.

"In the hope, therefore, that the tendency toward uniformity in accounting and reporting and toward the humanizing of governmental reports may be stimulated, the Institute continues the publication of its cost of government reports."

WHO WILL REGULATE MOTOR TRANSPORT?

Ontario Department of Highways Gives Exclusive Contract to Dundas Bus Co.

Something of a precedent has been established in the sphere of provincial control by the recent action of the Ontario Department of Highways in granting an exclusive contract to a Dundas bus company to operate on the Hamilton-Dundas Highway. The interesting feature of the case is the fact that some discussion has risen with regard to where the line of demarcation between provincial and municipal powers exists in such instances. While the highway is distinctly a provincial project, the towns and cities are obviously necessary to its existence, and have a very natural interest in the service rendered by transportation companies.

With the rapid development of inter-urban motor transport of both passengers and freight, the question of control assumes probably greater importance than is apparent on the surface. Many sections of the United States are served by numerous freight and passenger motor lines, and even a pullman sleeper service has been established over one of the national highways. While this development has not advanced nearly so far in Canada, it is only a matter of time until it will be better established, and it is obvious that the question of control and supervision is bound to arise. The precedent established by the Ontario Highways Department is, therefore, significant.

TAX RATES FOR 1924

Selkirk, Man.	36 mills
Grey County	8 "
York County	6.4 "
Stamford Twp.	6.9 "
Wellington County	6.5 "

Tenders and By-laws

TENDERS WANTED

July 2, Village of Point Edward.—$10,000, 6%, 20-yr. debentures. James McMillan, Village Clerk.

July 10, Magog, Que.—$15,000, 5½%, 30-yr. bonds.

July —, Hudson, Que.—$15,000, 5% bonds, maturing in 1949.

July 9, La Salle School Commission.—$30,000, 5½%, 30-yr. serial bonds.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from June 6 to June 13, 1924.

Schools—Peerless, $1,700; Lake Centre, $2,500; Druid, $3,000; Mona, $3,500; Cherry Hill, $3,500.

Telephones—Cut Knife, $1,400; East Marge, $900.

Villages—Kelvington, $600; Birch Hills, $1,600.

Debentures Reported Sold

Kinley S.D. No. 2133, $5,000, 10-yrs., 6½%, Regina Brokerage & Invest. Co. LaPlaine S.D. No. 871, $600, 5-yrs., 6¾%, Regina P. S. sinking funds. McPherson S.D. No. 618, $2,700, 15-yrs., 6½%, Rosetown sinking funds. Kandahar R. T. Co., $1,000, 15-yr., 6½%, Regina Brokerage & Invest. Co. Village of Vantage, $500, 5-yrs., 8%, L. M. Bright.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
June 20	Quebec City	Wood, Gundy & Co., Toronto	5%	30-yr.	$590,000	97.638	..
June	Moncton	Wood, Gundy & Co., Toronto	5%	20-yr.	75,000	97.29	..
June 2	St. Jerome, Que.	L. G. Beaubien & Co., Montreal	5½%	30-yr.	80,000	98.81	5.58
June 13	Saskatchewan Schools, etc.	Various	..	..	9,800	..	..
June 24	County of Ontario — — —	Dominion Securities Corp.	5½%	20-ins.	164,000	102.17	..
June 26	Matapedia Valley Light & Pr.	McLeod, Young Weir & Co., and J. M. Robinson & Sons	6½%	20-yr.	350,000	99	..
		CORPORATION					
June	Gartshore-Thompson Pipe & Foundry Co.	McLeod, Young, Weir & Co.	6½%	20-yr.	$200,000	99	6.60

THE NATIONAL CITY COMPANY CANADA

Why Some High-Grade Government Bonds yield over 6%

We have prepared a booklet on the subject of Government Bonds from which any investor should benefit.

We shall be pleased to send a copy upon request.

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NEW ISSUE

$500,000

The Laurentian Hydro Electric
LIMITED

First and Refunding Mortgage 6½% Ten-Year Sinking Fund Gold Bonds

Series "A"

Dated June 1st, 1924. Due June 1st, 1934.

Principal and semi-annual interest payable at La Banque d'Hochelaga at Montreal or The National Park Bank of New York. Interest payable June 1st and December 1st. Coupon bonds in denominations of $1,000, $500 and $100, with the privilege of registration as to principal only. Redeemable at the Company's option at 102½ and accrued interest, on any interest date after previous notice of thirty days. Annual Cumulative Sinking Fund of 5 per cent., commencing June, 1925.

Legal Opinion: All legal details in connection with this issue have been approved by Messrs. Elliott and David, Montreal.

Trustee: General Trust of Canada.

CAPITALIZATION
(when present financing is completed)

	Authorized	Issued
Ordinary shares (par value $100)	$ 125,000	$ 125,000
Cumulative 8% preferred shares (fully paid)	125,000	125,000
6½% First and Refunding Mortgage Gold Sinking Fund Bonds (closed)	1,000,000	500,000

From the letter of Mr. J. H. Sherrard, President of the Company, we summarize as follows:—

THE COMPANY AND TERRITORY: The Laurentian Hydro Electric Ltd. was incorporated in 1923, under the laws of the Province of Quebec, for the purpose of developing and distributing hydro-electric power in the counties of Terrebonne, Argenteuil, Labelle and Montcalm.

PROPERTIES: The Company owns in fee simple and is now developing a water power situated near St. Adele on the "Bras Est" of the North River, with a capacity of 4,000 h.p.

SECURITY: These bonds are secured, in the opinion of counsel, by a first mortgage on all the Company's real and immovable properties now owned and hereafter acquired. No further bonds can be issued except for extensions or additions to the present properties, and then for no more than 80% of the cost of such extensions or additions.

EARNINGS: The annual net revenue to be derived from the present first installation has been estimated by the Company's Engineers at $150,000, or over four times the interest charges on these bonds. This revenue should be obtained within the next 12 months.

DEVELOPMENT: The Company's first installation of 1,865 h.p., which will operate under a head of 230 feet, will be completed and power distributed by July 1st, 1924.

The Company has under option and proposes to acquire two neighbouring power sites which would give the Company an ultimate development of 14,000 h.p.

It is unnecessary to state that hydro electric undertakings in the Province of Quebec have been continuously successful. It is estimated that the business of such enterprises doubles every five years.

The Provincial Government recognizing the need of hydro electric power in the Laurentian district, appropriated $300,000 at the last Session of Parliament, to dam the head-waters of the North River, which will assure a continuous and even flow of water at all seasons of the year.

ENGINEERS' REPORTS: The Company's development has been favourably reported on by Mr. F. B. Brown, of Walter J. Francis & Co., Consulting Engineers, Montreal, and by Mr. Wm. Kennedy, Jr.

We offer these Bonds if, as and when issued and received by us.

Price 97.15 and accrued interest to yield 6.90%

Write for Prospectus giving complete details.

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Belgo Paper 7's Preferred Shares.
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Wayagamack 6's 1951
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W. F. MONTAGUE, Grand Recorder-Treas., Hamilton.

INSURANCE FOR BUYER AND SELLER

SHOW TENDENCY TO EXTEND INSURANCE FIELD OPERATIONS

Dominion of Canada Guarantee Will Issue Life Policies

The announcement made by C. A. Withers that the Dominion of Canada Guarantee and Accident Insurance Company, with head office at Toronto, will in future issue life insurance in addition to the classes already issued, has aroused consideration of the possible developments in the case of other companies. This company was originally organized in 1887 and licensed to transact several classes of casualty business. In 1910 the company secured power to include plate glass and burglary insurance; in 1915 it was licensed to issue fire insurance; and in 1920 steam boiler insurance was added. The present addition of life insurance gives the company a wide range of classes and places its agents in the position of being able to solicit these. It is the only Canadian company operating under a Dominion license which issues both life insurance and the various classes of casualty policies.

British Organization

The tendency toward multiple underwriting, so noticeable in the growth of this company, has been the subject of much speculation among insurance men. In Great Britain it has long existed as a natural part of the insurance business. The insurance companies have built up separate departments to handle each class, so that a report of each company's affairs contains a statement of the funds of each department. In this way large companies have grown up. In the case of life business a substantial volume is known as "counter business." This is secured without an extended solicitation by representatives of a highly trained and specialized sales force.

In the United States there has been a disposition to prohibit multiple underwriting. Consequently companies have not been allowed to issue a wide range of policies. The result of this legislative restriction has been that companies have been organized for the purpose of issuing a specific class of insurance and one sales organization maintained by the concentration of control of a number of companies through stock ownership. Thus one group of officials may control and manage a life company, a fire company, an indemnity company, etc., and the same agents sell policies for each company. Control in such cases has been maintained either by one active company owning stock of others or through a holding company.

Try to Stop System

A strong current of feeling has existed in some state government circles that this system should be broken up but strenuous opposition to this has also been in evidence. At the present time an effort is being made in New York State to eliminate the holding system. The state law provides for the investment by domestic insurance corporations in the stock of other insurance companies at a value ascertained in a manner approved by the Superintendent of Insurance. The latter has ruled that the stock shall be carried at a value not higher than the value represented by the capital and surplus shown in the statement of such other insurance corporation, prepared on the regular form of annual statement sent to insurance corporations by this department.

It is also stated that:

"Section 16, as amended in 1923, also provides that no domestic insurance corporation shall invest in or loan on the stock or bonds of any corporation which owns stock of an insurance corporation and that any such investment or loan held by a domestic insurance corporation shall be disposed of not later than July 1, 1928."

In Canada a general line of division has been drawn between life and other classes of insurance. The insurance acts of the Dominion and the various provinces have prohibited companies from overstepping the line except in special circumstances. The result is that a group of strong life insurance companies has been developed with highly-trained field forces and writing only life policies. On the other hand a large number of companies which originally issued only two or three classes of policies outside life, have gradually secured licenses to permit them to tap new fields. The record of new licenses shows unmistakably the tendency of companies to extend in this way. A number of British companies have been issuing both life and other classes of insurance in Canada but their life insurance departments have not grown nearly so fast as the business of independent life companies. This is attributed by insurance men to the aggressive sales efforts of the latter. At the same time two affiliated United States companies have been operating in Canada with the same sales force, one issuing life and the other accident insurance policies. The business of both has grown rapidly.

Opinion is Divided

The action of the Dominion of Canada Guarantee in extending to the life insurance field and the fact that several new companies organized in recent years have provided in their charters for writing accident as well as life insurance, has caused men in the field to ask, "What of the future?" The opinion is generally expressed that the companies and their agents can serve the public better by issuing fire and various casualty classes. However, opinion is more divided on the question of including life insurance. Some feel that the companies writing fire and casualty insurance might have life departments, accepting what business is offered without any aggressive selling efforts on the life branch. Others would develop an intensive selling organization in this branch. Still others point to the marked difference between life insurance and other classes. They refer to investment element which looms so large in life policies to-day and the similarity of such a company to a great savings bank. With this they contrast the object of other lines to give protection against certain contingencies only without any accumulation of large equities in favor of the policy holders. They also point to the splendid field forces of the life companies with the tendency, even within their own ranks, to specialize, and maintain that much of the ability of the field men to give proper advice on life insurance would be lost in making them general agents with other classes demanding much of their time.

INSURANCE LICENSES

The following licenses have been issued by the Department of Insurance, Ottawa; to the Reliance Insurance Co. of Can., the New Jersey Insurance Co., and the American Insurance Co. to transact sprinkler leakage insurance; to the Security Insurance Co. of New Haven, the British General Insurance Co., the Continental Casualty Co., the American Insurance Co., the Palatine Insurance Co., the Liverpool-Manitoba Assurance Co., and the Globe Indemnity Co. of Canada to issue tornado insurance.

UNHEALTHY RATE WAR ON GRAIN INSURANCE

Present Scale of Rates Far Below Fair Margin; Look For Settlement

Considerable surprise has been registered at a news item announcing that the insurance rates on grain being shipped down the Great Lakes has been reduced from 30 cents per $100 of cargo a year ago to 3 cents to-day, through the existence of a rate war between the companies. Many have been at a loss to account for the extraordinary change in the situation.

An outline of the developments since the commission enquired into the conditions of lake shipping a year ago indicates how this has been brought about. Formerly all insurance on cargoes was placed by the chartering agents who allotted space on the boats. A flat rate of 30 cents per $100 of cargo was charged, which was admittedly much in excess of the rate received by the insurance companies, the difference being paid to the chartering agents as commission. The chartering agents maintained, with a great deal of reason, that they were performing a valuable service and the insurance commissions were their remuneration for this. However, the result of the commission's findings was that the system was broken up by the legislation of the Dominion Government.

Following this last year the rates were reduced to 10 cents per $100 to Georgian Bay and Lake Erie and to 20 cents to Montreal. It is stated by insurance men that an agency known as the Equitable Insurance Agency, was controlled by some chartering agents and it was intimated to shippers that the insurance should be placed through this agency. When some placed their insurance direct with other companies not represented by the Equitable Agency, it is claimed, the rates of companies represented by the latter reduced their rates to 5 cents per $100 to the Bay and Lake Erie and to 12½ cents to Montreal. The final result was that some companies have reduced their rates to 3 cents.

The opinion is expressed that the unhealthy situation at present existing will be halted, as it is evident that no company can indefinitely carry the risks for the present scale of premiums.

Fire Insurance Men to Discuss Higher Rates

From Our Own Correspondent.

MONTREAL. — Although the agenda of the annual meeting of the Canadian Fire Underwriters' Association, which is to be held at Murray Bay this month, has not been made public, THE FINANCIAL POST learns from a number of sources that considerable time will be devoted to the discussion of an increase in rates.

During the last few years fire insurance is one of the few commodities which has shown a decrease in price; for 1923 the fire ratio was very high and insurance men generally feel that some measures must be taken. Added to these two factors is the high overhead which is experienced in common with all other business.

For the first five months of this year the premium income has been smaller, due, probably, to the fact that merchants and wholesalers will not accumulate large stocks. Many firms who used to buy monthly now purchase sometimes as frequently as twice a week with a consequent reduction in the total risks taken.

PROVINCE OBJECTS TO AMENDMENTS TO INSURANCE ACT

Counsel Asks Senate to Review Field of Legislation

The perennial dispute between the provinces and Dominion on the question of jurisdiction in insurance matters continues. Last week the House of Commons at Ottawa passed a second reading of a bill amending the Insurance Act, 1917, which has met with strenuous objection from the Ontario Department of Insurance. The objects of the amendment are to insert in the Act certain penalties formerly in the criminal code and to lay down conditions for the issuing of life and fire insurance policies.

In view of the decision of the Privy Council last year in a case brought before it in connection with reciprocals, the Ontario Department is opposing the amendment. A letter is being forwarded to the federal department of justice declaring that the province considers the legislation an infringement of the provincial rights, as laid down by the Privy Council. When the bill came before the committee of the Senate this week the province was represented by counsel. The latter asked that the committee recommend that the Senate should not report the amendment but that the Dominion Insurance Act be reviewed by the statutory revision commission.

Began in 1910

The controversy arises out of the dual jurisdiction of the two governments in the case of insurance companies. The Insurance Act, originally passed in 1910, sought to secure for the Dominion the field of regulating the insurance business. Some of the legislation was held ultra vires and in 1916 certain penalties in respect of insurance actions were incorporated in the criminal code. It is held by the province that the decision given by the Privy Council last year in effect determines that the Dominion cannot by way of the criminal code seek to gain, as it were, control over a prohibited field of legislation. In view of the decision the Dominion Government is attempting to transfer the penalties from the criminal code to the insurance act. The contention of the province is that the proposed legislation directly ignores the decision of the Privy Council.

The solution of the controversy in a satisfactory manner is earnestly desired by those concerned in the field. Until this is done much unnecessary inconvenience is given to insurance men at times. The feeling of many is that the whole situation should be considered by an impartial judicial committee.

Insurance Policy May be Dated on Holiday

A reader has asked the following question of THE FINANCIAL POST: "Why do insurance companies date policies on public holidays? Are they legally correct?" This has given rise to the query as to whether policies are so dated. Officials of companies state that it is unusual that policies are dated on holidays. One reason is that the offices are closed on such days. However, some policies are dated on holidays for various reasons. One is an error, which would not in any way invalidate the policy. Another instance is a renewal on a fire insurance policy, where the old policy matures on a Sunday or holiday. The new policy would date from the day and hour when the former matured. Similarly goods being shipped may be landed on a holiday, and it may be desired that the insurance come into force on that day. There is no reason to believe that the legal standing of the policy would be impaired on account of this date of issue.

General Animals Will Extend Its Operations

The application of the General Animals Insurance Company of Canada for authority to change its name to the Canadian General Insurance Company has now been passed by Parliament. The General Animals Insurance Company was incorporated in 1907 with head office in Montreal. It issued plate glass, live stock and automobile insurance until August, 1923, when the control passed into the hands of the directors of the Toronto Casualty Insurance Company, and the head office was removed to Toronto, and the company operated under the management of the Toronto Casualty officers as an allied company.

The directors propose to increase the company's capital in order to secure powers to extend their operations to other classes of insurance. It will continue to operate on a non-tariff basis.

Had $20,000 Liability Policy, so Didn't Worry

The reliance placed by some motorists on an automobile insurance policy is demonstrated in the report of an accident near Oshawa recently. A man was struck by an automobile and seriously injured. The motorist stopped and returned to the injured man's assistance. However, he declared that his car was insured against public liability, the report says, with a $20,000 limit and refused to leave his name.

JOINS UNION INSURANCE

Colin Sword, who has been connected with the London and Lancashire Insurance Company for some time, is leaving this company to take over his new duties as manager of the fire department of the Union Insurance Society of Canton.

The Northern Assurance Company Ltd.

ESTABLISHED 1836

The EIGHTY-EIGHTH ANNUAL GENERAL MEETING of the Northern Assurance Company, Limited, was held in the Offices of the Company at Aberdeen, on the 7th day of May, 1924, when the Report of the Directors was presented.

The TOTAL INCOME from all sources for 1923 amounted to $30,473,885, an increase of $1,224,005 over the previous year.

Fire Department

The NET PREMIUMS were $12,666,500, being an increase of $745,810 over 1922.

Amount of FIRE INSURANCE FUND at the end of the year:

Reserve for Unexpired Risks	$ 6,333,251
Additional Reserve	7,000,000
Total	$13,333,251

Casualty Department

The NET PREMIUMS were $4,871,010, an increase of $333,815.

Amount of CASUALTY INSURANCE FUND at the end of the year:

Reserve for Unexpired Risks	$2,435,505
Reserve for Outstanding Claims	879,479
Additional Reserve	900,000
Total	$4,214,984

Total Assets of the Company, December 31st, 1923 $78,866,227

($5 taken as equivalent of £1 sterling)

Head Office for Canada---MONTREAL---Alex Hurry, Manager
Branch Office Winnipeg — R. O. Taylor, Branch Manager

Herbert Tareyton London Cigarettes and SMOKING MIXTURE

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

THE WESTERN EMPIRE Life Assurance Company
HEAD OFFICE 701 Somerset Building Winnipeg, Man.
Branch Offices: SASKATOON, CALGARY, EDMONTON, VANCOUVER

THE PROVIDENT ASSURANCE CO.
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Tel.: Main 4310, 4311, 4312, 4313
INSURANCE:
FIRE, AUTOMOBILE, LIABILITY, LIFE, ACCIDENT, SICKNESS, PLATE GLASS, BURGLARY, GUARANTEE, SURETY
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Great-West Life

A FOREIGN CONCERN

is planning to establish an oil-gasoline distributing and refining business in Canada. Would prefer to acquire a partial or entire interest in some going concerns which could be continued under their old names. Correspondence confidential. Address in first instance Gasoline, c/o The Financial Post, 153 University Ave., Toronto.

Tariff Should be Fixed by Conditions in the Industry

Divergencies of Opinion Largely Due to Differences in Conclusions as to What Facts Are—Manufacturers Not Entitled to Excess Profits Under Protection

By R. V. LeSUEUR,

In his review of economic conditions in Canada in the budget debate in the Commons.

Following out that idea of helping the farmer to help himself, I have always heard since my early days that the farmer was the most independent of men, that he controlled his own livelihood, that his living depended on no other man. If that is not the condition in western Canada to-day, I ask, is there not some feasible scheme whereby it can be made so? Is it not possible to have some co-operation between federal and provincial governments whereby the farmer will be made more or less self-sustaining and thus be able to overcome his present difficulties? Can he not be enabled to produce his own butter, his own eggs, his own meat? It may not be a very high ambition, but it would be sufficient to carry him over the present crisis. My understanding of the situation may be wrong, but we do co-operate in road-building and in many other things; why not co-operate in that? Another question that might be asked is this: How far can the government co-operate in enabling some of the western farmers to shift their crop from wheat to some other line?

I read recently a report of the Department of Agriculture of Washington setting forth the results of the efforts of the United States government in some 302 countries to bring about a shifting from wheat production to the growing of alfalfa, the raising of poultry, dairying, and so on, and that report showed that good progress had been made in that direction. Is it feasible to arrange for some co-operation in that respect between our governments with a view to meeting the present situation?

MR. FORKE: I would like to ask the hon. member a question—and I appreciate the spirit of his address. Does he take into consideration the great difference between the conditions in the United States, with 110,000,000 consuming people, and those in Canada, with a tremendous producing population and a small consuming public? Does he appreciate how much more difficult the question is to settle in this country?

Mr. LeSUEUR: I do take that into consideration. I appreciate it and I am trying to offer some solution that will be a step toward relieving that condition. With regard to the present position of agriculture I would just like to cite the situation which existed in the southern states. It may not be exactly applicable, but it was more or less along the same line. It was about 1830 or 1835, that the cotton producers in the southern states were experiencing a crisis of low price and over-production. At that time the Democratic party thought it would be in the interests of that community that they should buy their implements in the cheapest market and sell their cotton abroad, that they should have free trade or low tariffs. A compromise as to tariff was arrived at and the arrangement prevailed for some eight to ten years. Those years were not years of prosperity. War followed in Europe and there was some prosperity, but shortly after that a protective tariff was adopted in the States and has been followed fairly consistently ever since. To-day the United States is producing about 12,500,000 bales of cotton. Of that amount about 6,000,000 bales are manufactured in the United States, about 4,000,000 of which are manufactured in the southern cotton states. That is just an example which I leave with the House.

In summing up as to this topic, I must admit that I have occupied considerable time and attempted a very ambitious task. I thank the hon. members to my left (the Progressives) for their kindly reception of my effort. An analysis of the western situation shows that the condition there is due to this series of causes: over-production, falling prices and over-expansion. I believe further, if we are going to look for remedy, real and permanent, we have to look directly and hit directly at those causes, and I would like to reiterate, that the very nature of those causes and the very nature of these remedies must impress upon us that our basic unit must be the nation, that those ills in the West will be best combated and overcome eventually by the co-operation and help of our united industrial life, and that the one essential we must keep in mind in our consideration of this subject is the integrity of our complete industrial life.

Mr. FANSHER: The hon. member has argued that production of wheat should be decreased in the West and that the western farmer should enter mixed farming. Is he of the opinion that the farmers of Ontario and in the East who have largely ceased growing wheat and entered into mixed farming are to-day in a greater condition of prosperity than the farmers in the West

Mr. LeSUEUR: I think it would be useless to draw a comparison as to degree, as to whether the farmer of the West is in a worse condition than the farmer of the East, but I would say that the whole agricultural situation of our country needs help in every possible way, and that if you help one section you help the other. As to shifting from the growing of wheat to other lines of farming in the West, I do not suggest that that should be done in a wholesale way, but it should be done simply so far as it can be carried out or needs to be carried out to meet the western situation. There should not be an extensive shifting. An extensive shifting would be impossible. It is only as a minor factor I am speaking of it.

Now, turning to a few points in connection with the tariff, let me say that I feel convinced that a great many of our divergencies of opinion are due to differences in our conclusions as to what the facts are, and if we could come more nearly together on what the actual facts are I think our theories would much more nearly coincide. I am firmly convinced that, so far as present world conditions are concerned, an adequate protective tariff is essential to the growth of a diversified industrial life for our country and for the production of that distinct type of manhood which Canada can produce and should have. I do not favor a tariff which allows any manufacturer to make excessive profits; and I believe that the rate of tariff is something which must be determined by the conditions in each particular case, and having regard to the national needs. Now it is almost impossible for any member of this House or for any minister of the government to determine what rate of tariff should prevail in any one particular industry, without being in constant and close touch with that industry both at home and abroad. Half knowledge is, of course, dangerous, and I believe that this country would be wise to have a tariff commission of a scientific nature to advise as to the regulation of tariff needs. Sir Thomas White, as Minister of Finance, in 1912 brought in a bill which proposed to establish a tariff commission, a commission which would have power to investigate and ascertain costs of production, costs of transportation, costs of material, and inquire into any other matters which pertain to industrial concerns, and that the results of their investigations should be available to the House and to the ministers of the Crown. Such a tariff commission would, I believe, in making one investigation after the other, gradually accumulate and tabulate a series of facts, gather information which would be vital importance, and would always prove a source of reliable information. It it is true that our differences are to a large extent differences on the facts, and if it is true that suspicions which sometimes arise in the minds of the public are largely due to inability to get at the facts, such a tariff commission would serve a very useful and a beneficial purpose in our national life.

There is one other matter in connection with our tariff which I should like to bring up, and that is in connection with our preference. We give to-day a preference to Great Britain. No person can be more anxious than I am to see our Imperial relations strengthened and grow. The British Empire is to-day a group of free peoples of the same race and the same civilization, and their co-operation and efforts are to-day exercising a very beneficial and a very potent force in the world's advancement. We have a League of Nations, it is true, but I believe that the British Empire is to-day the strongest, the most solid, and the most effective League of Nations which exists in the world, and that in the carrying out of its own interests and its own development it is advancing the world's interests. But notwithstanding that, there is no member of this group of free peoples which does not admit the principle that each of its members has the right and the duty to develop its own resources and its own productivity to the utmost without considering the other; that there will be no quarrel between members of the British Empire in seeing each member develop its own production to the uttermost, and that foreign trade only helps in so far as it is subservient to that idea. In short this would mean: Home trade first; Imperial trade second; and foreign trade third. As to what the policy of the present government is in this matter I am unable to find out; but let me say this: Under our present preferential rates, goods are coming in from Great Britain and are doing serious injury to some of our industrial concerns. If I were asked to give an example of the concerns thus affected I would instance boots and shoes. It is a fact that agents of several British concerns are visiting various parts of Canada to-day and are selling consignments of boots and shoes to our merchants to the great detriment of our boot and shoe factories. Now, if that injury is due to inefficiency on the part of our boot and shoe manufacturers then the burden must rest on them; but if it is due to differences in cost of production, or differences in wages, or other costs, then, I think, our preferential duty should be changed so as to give our manufacturers the proper amount of protection and I doubt very much if the government to-day has the necessary machinery available to determine which of these conditions exist. If so, that is another example where a tariff commission would prove a very efficient and useful body.

Before leaving the question of tariff preferences I might point out that while the home trade should be first, we must not forget that Imperial trade should be second. Thus I view with some regret that the British Chancellor of the Exchequer, in his recent budget, has seen fit to reject the proposals of the Imperial conference and to provide that the McKenna duties which gave the Dominions certain preferences should be allowed to lapse. If I understand British politics aright, the policy of the British Labor party has been, and is, more directed to internal and domestic affairs and pays little or no attention to Empire, not, I would say, from a spirit of hostility but a feeling of more or less indifference to the Empire and this on the ground that the Empire is more or less of a burden and that the principle of Empire is objectionable as implying the oppression of free peoples. But, while I feel that their present pronouncement is in greater or lesser degree due to the policy of "buying in the cheapest market," I feel that world conditions are going to force the abandonment of that policy, in whole or in part, by the British government. I also feel that as the present government in its tenure of office comes more into touch with the dominions, and is brought into more direct contact with the feelings of Imperialism and the desire for a close working Imperial trade arrangement we may see a change in its attitude as disclosed by the recent budget.

There is one other point I propose to discuss and that is with regard to our distribution system. I bring this up because I feel that possibly the government may be able to adopt some remedy in regard to it. We hear complaints about the difference between the price paid to the producer and that paid by the consumer, and to avoid properly studying the matter this situation is blamed on the tariff. I had a striking example of this brought to my attention recently. A farmer had several hogs ready for the market. They weighed about 170 pounds apiece, and the most he could get from the Toronto buyer was eight cents per pound. He went to the local butcher who said he could not buy them because he had a market for only a small portion of the animal. The farmer continued looking round and finally sold them to a butcher on the outskirts of the city and obtained, after losing about 35 pounds of weight in dressing the hogs, sixteen cents a pound. By selling the hog locally, instead of to the Toronto buyer he made a gain of $8 per hog. That situation is not, I think, the fault of the central butcher, or of the consumer, or of the producer. The fact is that when the hog is sent to Toronto the meat is cut, trimmed and otherwise decorated. It is then returned in nice shape to the central butcher. The position is that the freight must be paid from the point of sale to the city, then there is the cost of extra trimming and decorating which the abattoir company makes, and finally the cost of freight back. This system has been an insidious growth. I do not know of any one particular branch which is to blame, but this system has grown to such a size that no particular man or group of men can cope with it. However, I believe that a system which is now being used in the United States could be considered by us with profit. They have there what they call the Department of Simplified Practice. The business of that department is to co-operate in simplifying methods, in cutting out every unnecessary step in the manufacture and production of goods, and in making efficient every stage from the time the article leaves the producer until it reaches the consumer. They frequently call together the principal men in an industry with the object of discussing these matters. Some very remarkable advances have been made in the way of simplifying methods and cutting out unnecessary steps. I see no reason why our government should not adopt a similar plan and put an energetic man in charge. Then if he calls the abattoir men together he would find them most willing to co-operate for I understand they are losing money today. If some devices could be arrived at by such meetings for bettering the present situation, and the power of the government were put behind the industrialists to secure results you would undoubtedly get results that could not be achieved if the matter were left solely to the co-operation of those in the trade. I think that might be a very advantageous step. If the government wants to do something of a practical nature and can put some such plan in operation they will remove a terrific weight, indeed one of the heaviest weights, from the backs of the people.

Before I conclude, however, I would ask this question: What should the general and proper attitude of this House be towards tariff changes? If we look afield we find that to-day there is a tendency, an ever-increasing tendency among all nations to produce more than is necessary for their own requirements and to thrust the surplus upon their neighbors; and when we look internally and study our own conditions we find that we have great resources which would make for a great national development. We have the climate, we have the race, we have the mental, moral and physical texture, and we have the educational facilities and other qualifications which should enable us to build up a great and diversified people. In fact, the type of Canadian which this country is producing to-day can be easily distinguished from American or English or French and is a type we may well be proud of. But that there are difficulties we must admit. We have a tremendous area of land and a sparse population scattered along our southern border, but I believe that as our population increases and as Northern Ontario develops more, and more, so as to solidify our whole structure, these difficulties will gradually disappear. If we are going to look toward this objective, we should learn what history has to teach us in regard to the development of other nations. History shows us that no nation which has neglected its industrial life or which has been content to be the hewer of wood and the drawer of water for any other nation has ever attained a great development. On the contrary, the growth and power of a nation, the development of its art, of its literature and of its highest civilization and the production of its most advanced manhood, have always followed its great and powerful industrial development. Our objective can never be attained by adopting the policy of buying in the cheapest market. Our objective should be to make of our nation a genuine household organized to provide a fitting and adequate livelihood for all its members, and governed by an endeavor to establish the rule of a "just profit, a just price and a just weight." This objective, I am thoroughly convinced, can be attained, under present world conditions, only by an adequate protective policy which will guard the integrity of the industrial life of the whole nation; and my view is that that adequate protective tariff could well be regulated and adjusted on the advice of an efficient scientific body. Our immediate aim should be, I think, to eliminate not these principles but the evils which arise in our national life from day to day and to follow the immediately practical step leading towards our objective, refusing to be led astray by the nebulous delusion of the theoretically perfect. This I believe is not the policy of the government; their policy is that this budget should prove the death-knell of protection, a budget which in my opinion does not give a sound view of our financial status and is misleading as to our trade conditions; a budget which inaugurates a policy casting a shadow of uncertainty over our industrial life and trifling with the existence of some of our greatest industrial concerns. So far as this unsatisfactory policy is concerned, so far as its attendant uncertainty is concerned, and so far as the assertion that the budget is to be the death-knell of protection is concerned, I think the government would be well advised if it took to heart the paraphrase of a couplet from Kipling:

Judgment of nations, Spare us yet
And please forget—please forget.

Mutual Oil Co. has purchased the pipeline of Cosden & Co. from West Tulsa to Sapulpa. The Mutual took over the Sapulpa refinery recently and is now operating it.

SHIPMENTS OF WHEAT SWELL EXPORT FIGURE

Canada's Total for May Twelve Times American Total and Canadian Record

That Canada is assuming an extremely prominent position as a wheat exporting country is strikingly illustrated by comparison with the volume of wheat exports from the United States. Last month, Canada shipped more than 41,000,000 bushels, in comparison with exports of 3,431,000 from the United States. Official figures compiled by the United States Bureau of Commerce show that four times as much Canadian as American wheat left American ports last month. The total of Canadian wheat was 28,000,000 bushels.

As a consequence of the large volume of wheat shipments made during May, our exports reached the highest total for the month of May in any year in the history of Canada. Only during one previous May was the value exceeded, and that was in 1918, when the price of wheat was slightly more than $2.50 per bushel. It is true, of course, that our large spring shipments are partly due to the fact that the wheat is held up in Canadian elevators during the period of closed navigation. Notwithstanding this, the steady increase in our annual shipments of wheat is a significant feature of Canadian development.

SALES UP 15 PER CENT.

As stated in THE FINANCIAL POST last week the sales of life insurance in Canada this year have consistently been maintained in advance of those in the early months of 1923. The actual results given by the Life Insurance Sales Research Bureau, of companies with over 80 per cent. of the business in force were $33,368,000 in May, as compared with $32,603,000 in April, an increase of 2 per cent. Comparing May, 1924, with May, 1923, sales increased 12 per cent. Sales for the first five months of 1924 were 15 per cent. in advance of those for the similar period of 1923. Sales for the 12 months ending May 31, 1924, were 13 per cent. in advance of those for the similar period of 1923.

OWNS ENTIRE BLOCK

With the acquisition by the Metropolitan Life Insurance Company, of the Butterworth Building, at Ottawa, the company now owns a complete block for the erection of its new Canadian head office, according to A. F. C. Fiske, third vice-president in charge of the Canadian business. The land owned has a frontage of 167 feet on Sparks Street, 200 feet on Bank Street and 207 feet on Wellington Street.

$1750

Well-timbered building lot, convenient to Yonge Street on paved road.

H. R. Douglas

Elgin 3308 Mail Bldg.

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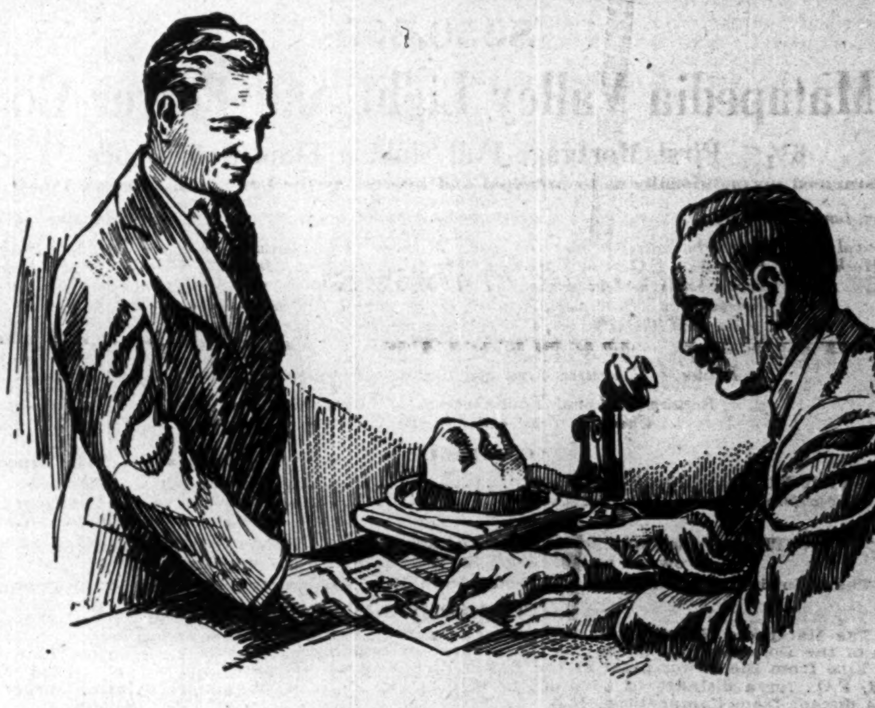

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THE COMMITTEE IS FAVORABLE TO HOME DEPOSITORS

Compassionate Grant is Likely to be Recommended

From Our Own Correspondent.

OTTAWA.—The House, having finally caught the going-home fever, which, when it makes its appearance is very contagious, is now preparing to close with a rush. Some of the members desire to get away to England, and it is represented that it would be rather discourteous to break up the party. Underlying this, however, is the other generally recognized fact that, for the most part, parliament for some time has been only talking any way and that it might just as well go home. Certainly its continuance in session has not been due to the large amount of legislation, which inclines most people to the belief that the average session could be cut much shorter than it is without damage to the country.

It is possible that the banking and commerce committee will report on the Home Bank this week, but to do so will take it all its time. Unless the contents of the report express the practically unanimous views of the members, and it is difficult to see how this is possible, there will probably be quite a discussion in committee, to say nothing of what happens in the House. It is impossible at this writing to forecast the probable contents of the report. All one can say is that a considerable number of members favor a compassionate grant. If enough of them could be secured to put through a similar bill for the Farmers' Bank depositors, one may be sure that a much larger number favors doing the same for the Home Bank depositors.

Competition From Russian Wheat Not Serious Prospect This Year

(Continued from page 1)

about one-third of the total production of cereals in Russia. The average acreage sown in cereals for the five years immediately preceding the war was 86 million dessiatines. During the war this acreage fell to 76 million; in 1920 it was 60.5 million, in 1921, 53.2 million and in 1922, 63.2 million.

The average yield of cereals (wheat, rye, barley and oats) 1909-1913 was about 4.5 billion poods. The yield of 1921 was only 1.6 billion; that of 1922 was 2.2 billion. This increase was partly due to the fact that the harvest was favorable and partly to the introduction of the new economic policy of the Government, in which they modified their communist rule and to a certain extent permitted the operation of private enterprise. The harvest of 1923 yielded rather less than 3 billion poods of cereals. The harvest of 1922 was thus about 50 per cent. and that of 1923 about 60 per cent. of the pre-war average.

In European Russia the peasants owned, before the war and the Revolution, 76.3 per cent. of the land. After the Revolution the peasant owned 96.3 per cent. He gained some of the land-owners' and some of the church lands and the Government seized the remainder. Nominally all the land has been nationalized; but no Government in Russia would now be able forcibly to dispossess the peasants of the land seized by them. The decree of nationalization was purely formal and its effect was simply to give the Government a claim for taxes which have been proved to be uncollectable. The net addition to the peasants' lands was 40 million dessiatines or about 100 million acres.

Formerly the grain grown by the peasants was practically all consumed in Russia. The grain (especially wheat) grown upon the landlords' estates was almost the only grain exported; because the landlords alone possessed the machinery for cleaning the grain and preparing it for shipment. In 1922 after the famine of 1921, the Soviet Government began a policy of distribution of seed grain. In that year they "lent" to the peasants 50 million poods of seeds, and in 1923, 30 million poods. This policy resulted in the increase of the cultivated area by about 10 million dessiatines, bringing that area up to 63.2 million dessiatines. The Government also established seed breeding stations (comprising about 100,000 acres) from which improved seeds are distributed to the farmers.

The pre-war average of cereal production has been stated at 4.5 billion poods; the programme for 1924 aims at 4 billion poods. The gist of the question of wheat production in Russia for export lies in the point,—will the peasants, deficient as they are in agricultural skill and knowledge, be able with such assistance as the Soviet Government can give them to produce from the 100 million acres of land newly absorbed by them, as large a quantity and as good a quality of cereals as the land-owners formerly produced upon the same land. It is obvious that this is a very difficult question to answer, especially since the well-to-do peasants have been despoiled of their property in the same manner as the large landowners.

It is clear that unless the Railway administration can increase considerably the number of wagons, difficulties would be encountered in dealing with a large crop this year (1924).

To what extent has the Soviet Government succeeded in restoring production in general during the past seven years?

These statistics, which are taken from the Communist calendar for 1924, published in Moscow under the authority of the Soviet Government, show how far short of the pre-war standard the whole of Russian industry has fallen and they show also clearly the reaction upon production of the decline in demand which resulted inevitably from the destruction and dispersal of foreign countries of the classes upon whose consumption Russian industry depended. To a certain extent these classes are now being replaced by a newly arising class which is emerging from the peasantry and is engaging in luxurious consumption. Even now, however, the consumption of this class is comparatively slender and therefore Russian demand for foreign manufactures must remain unstable.

The following figures are significant:

(in 1,000,000 poods)	Sugar	Paper	Oil	Coal	Mines (Metals)	Cast Iron	Steel	Metal Manufactrs.
Production in 1913...	82.9	9.0	554	1,738	638.0	256.8	259	214.2
1918...	20.3	4.7	245	731	..	..	..	21.8
1919...	4.9	2.6	273	511	..	6.9	..	10.0
1920...	5.5	2.3	243	467	10.0	7.7	12	12.2
1921...	3.5	1.9	246	520	8.4	7.0	10	8.5
1922...	12.4	..	276	594	12.5	14.2	11	..
1923...	..	..	..	..	..	..	†24	‡20.7

†The programme for 1923 was 30,000,000 poods.
‡The programme for 1923 was 25,000,000 poods.

Before the war Russian exports of wheat oscillated rather violently. The average export may be placed at 200 million bushels. During the war and up until 1921 there were no grain exports; in 1922, the exportation of all grains amounted to 650,000 tons (including probably about 7,250,000 bushels). The programme for 1924, anticipates the exportation of 4,000,000 tons (a sudden increment of 600 per cent.) including probably about one-third of that quantity of wheat or 45,000,000 bushels. While there is a strong likelihood of the reality falling short of the anticipation, as the Soviet programmes are seldom even nearly implemented, there is little likelihood of the estimate being more than realized. The extreme quantity of wheat, which is at all likely to be exported from Russia this year is 45,000,000 bushels and there may be much less. Even if the grain is produced, the difficulties of handling large quantities because of transport, elevator, administrative and financial disorganization are very grave.

JAMES MAVOR.

CROPS CATCHING UP AFTER LATE START IN SPRING

(Continued from page 1)

ally good according to reports reaching the Bank of Montreal. In Quebec hay and grass pastures look well and conditions are generally favorable. In New Brunswick hay and grass pasture show prospects of an excellent crop. Present prospects for potatoes are good. In Nova Scotia hay and grass pasture is promising. In the Annapolis Valley apple trees give promise of a large crop. In Prince Edward Island all crops are in good condition.

In British Columbia the late season has affected hay and roots. Grains generally are good with the exception of the Okanagan valley. Fruit prospects are only fair. Cherries and peaches are poor, apricots fair and apples and pears about 75 per cent. of average; tomatoes are above the average; small fruits are good.

LOEW'S TORONTO

Loew's Toronto theatre is reported to have enjoyed exceptionally good business this year. Earnings are ahead of last year which was the best in the company's history. The preferred dividend for the quarter has been ordered paid.

DURANT CUTS PRODUCTION

Forty cars weekly is present production of Durant of Canada. This includes Stars and Durants and shows a slowing up to permit dealers to work off cars already in their hands. Retail trade, it is reported, has picked up briskly in the past fortnight, and some slight increase in output is possible shortly. R. H. Mulch, general manager of Durant of Canada, stated that arangements had been completed for the assembling of the Flint Six at the Leaside plant, beginning August 1. It is planned to turn out about 50 of these cars a month.

NEW ISSUE

$350,000

Matapedia Valley Light and Power Co. Limited

6½% First Mortgage Full Sinking Fund Gold Bonds

(Guaranteed unconditionally as to principal and interest by the Lower St. Lawrence Power Co.)

Dated June 1st, 1924. *Due June 1st, 1944.*

Principal and half-yearly interest (June 1st and December 1st) payable in gold at the Bank of Hochelaga, Rimouski, P.Q., or Montreal, or at the Bank of Montreal, Toronto, or St. John N.B. Coupon bonds in denominations of $1,000, $500 and $100, with privilege of registration of principal only. Redeemable in whole or in part at 105 and interest for first two years, and thereafter at a price lower by 1-4 of 1 per cent. for each year, but in no case at a lower price than 102 and interest.

Trustee: Chartered Trust and Executor Company, Toronto.

Registrars: Central Trust Company of Canada, Moncton, N.B., Chartered Trust and Executor Company, Toronto.

CAPITALIZATION	Authorized	To be Issued
First Mortgage Bonds (this issue)	$400,000	$350,000
Common Stock	800 shares (no par value)	800 shares (no par value)

(NOTE—All the Common Stock, with exception of directors' qualifying shares, is owned by the Lower St. Lawrence Power Company.)

The following is a summary of a letter from Mr. J. A. Brillant, President of the Company:

THE COMPANY

The Matapedia Valley Light & Power Company, Limited, has been incorporated under the laws of the Dominion of Canada for the purpose of building a 66,000-volt Electrical Transmission Line from the power plant of the Lower St. Lawrence Power Company at Grand Metis Falls, P.Q., for a distance of 84 miles to Matapedia, P.Q., on the interprovincial border, 13 miles distant from Campbellton, N.B.

These bonds will be secured:

SECURITY

1. By a first mortgage on the transmission line and on all the real property which the Company may own or hereafter acquire.
2. By assignment to the trustee for the bondholders of the Company's contract with the Town of Campbellton, N.B., for the purchase of power by the Town. Under the terms of this contract the Town must pay to the trustee in monthly instalments a minimum amount of $40,000 per year for twenty years—the life of these bonds.
3. By the unconditional guarantee as to principal and interest of the Lower St. Lawrence Power Company.

CAMPBELLTON CONTRACT

The Matapedia Valley Light & Power Company has entered into a contract with the Town of Campbellton, N.B., for the sale to the Town of electrical power up to 2,700 h.p. at the price of a guaranteed fixed sum of $40,000 per year for the first 1,100 h.p., **or for any smaller amount,** and at $25 per h.p. over and above 1,100 h.p. The Town of Campbellton has been empowered by special act of the New Brunswick Legislature to enter into this contract and to issue its own bonds for $50,000 for extensions to its own system, which will include the construction of that section of the transmission line in the Province of New Brunswick—a distance of 13 miles—and for the installation of its own transformers, sub-station and equipment. All payments by the Town of Campbellton—not only the guaranteed minimum of $40,000 per year, but all larger payments as more power is taken—shall be made directly to the trustee for the bondholders. The trustee shall retain from these payments all interest and sinking fund requirements. The trustee shall further retain from the first 12 monthly payments a sum equal to six months' interest on the entire bond issue, and this sum shall be retained by the trustee for the protection of the bondholders so long as any bonds remain outstanding. Campbellton is a thriving town of 7,300 people, situated in Northern New Brunswick, at the head of deep-water navigation. Campbellton, which is the largest town in New Brunswick, is a main divisional point on the Intercolonial Railway.

SUPPLY OF POWER

The Lower St. Lawrence Power Company is a party to the Campbellton contract, and is directly obligated to the Town to supply all power required under the contract. This power will be supplied from the Lower St. Lawrence Power Company's power plant at Grand Metis Falls, P.Q. The present installed capacity of this plant is 4,000 h.p. The Province of Quebec is now spending $107,000 on a storage dam at the headwaters of the Metis River. This, together with further dams already provided for, will give the Lower St. Lawrence Power Company an ultimate development of 12,000 h.p.

EARNINGS

The Matapedia Valley Light & Power Company is assured of minimum earnings of $40,000 per year, applicable to bond interest and sinking fund, from the Campbellton contract alone. Earnings from this source will be increased as Campbellton consumes more power. Moreover, the Company will distribute light and power to several towns in the Matapedia Valley along the route of the Intercolonial Railway, which are not supplied by the existing lines of the Company. The earnings from the new towns and from the extensions to the existing lines are estimated at $8,150 for the first year, and at $15,700 for the second year, with an increase of $5,000 per year thereafter for several years. Through their first mortgage feature, the bonds of the Matapedia Valley Light & Power Company will rank as a first charge against these earnings.

SINKING FUND

The trust deed provides for a sinking fund sufficient to redeem the entire issue by maturity.

We offer the foregoing bonds as, if and when issued and received by us, and subject to the favorable legal opinion of our own counsel.

We recommend these bonds for conservative investment.

PRICE: 99 and interest, yielding approximately 6.60%

McLeod, Young, Weir & Co. Limited
23 Jordan St., TORONTO.
40 Hospital St., MONTREAL.

J. M. Robinson & Sons Limited
ST. JOHN - FREDERICTON - MONCTON

The above statements are not guaranteed, but are based upon information which we believe to be reliable and upon which we acted in purchasing these bonds.

The Northern Mexico Power & Development Co., Ltd.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 7%, covering one year's accrued dividends to 1st January, 1921, has been declared on the preference shares of the Company payable on the 2nd day of July, 1924, to shareholders of record at the close of business on the 21st day of June, 1924.

W. L. REED, Secretary.
Toronto, June 12th, 1924.

The Consolidated Mining & Smelting Co. of Canada, Limited

Dividend No. 40

NOTICE IS HEREBY GIVEN that a Dividend of Three Per Cent. (3%) on the paid-up Capital Stock of the Company for the six months ending June 30th, 1924, has this day been declared, payable on the 15th July, 1924, to shareholders of record at the close of business on the 30th June, 1924.

By order of the Board.
J. E. RILEY, Secretary.
Montreal, June 18th, 1924.

Canadian Car & Foundry Company, Limited

NOTICE OF DIVIDEND

NOTICE IS HEREBY GIVEN that a dividend of three and one-half per cent. (3½%) on the paid up preference stock of the Company has been declared payable on July 10th, 1924, to shareholders of record June 27th, 1924, being one and three-quarters per cent. (1¾%) on account of arrears and one and three-quarters per cent. (1¾%) for the quarter ending June 30th, 1924.

A further dividend of three and one-half per cent. (3½%) on the paid up preference stock of the Company has been declared payable on October 10th, 1924, to shareholders of record September 26th, 1924, being one and three-quarters per cent. (1¾%) on account of arrears and one and three-quarters per cent. (1¾%) for the quarter ending September 30th, 1924.

By order of the Board.
A. C. BOURNE, Secretary.
Montreal, June 20th, 1924.

THE B. GREENING WIRE CO. LIMITED

Preference Dividend No. 4

NOTICE IS HEREBY GIVEN that a quarterly dividend of one and three-quarters per cent. on the Preferred Shares of the Company has been declared payable July 1, 1924, to shareholders of record, June 16, 1924.

F. J. MAW, Secretary.
Hamilton, Ont., June 10, 1924.

THE TORONTO MORTGAGE COMPANY

Quarterly Dividend

NOTICE IS HEREBY GIVEN that a Dividend of two and one-half per cent., being at the rate of ten per cent. per annum upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after 1st July, 1924, to Shareholders of record on the books of the Company at the close of business on 14th instant.

By order of the Board.
WALTER GILLESPIE, Manager.

The Dominion Bank

NOTICE IS HEREBY GIVEN that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1924, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 2nd day of July, 1924, to shareholders of record of the 20th June, 1924.

By Order of the Board.
C. A. BOGERT, General Manager.
Toronto, 23rd May, 1924.

Laurentide Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and one-half per cent. (1½%) has been declared upon the Capital Stock of this Company for the quarter ending June 30th, 1924, payable Wednesday, July 2nd, 1924, to Shareholders of record at the close of business June 17th, 1924.

By order of the Board of Directors.
W. F. ROBINSON, Secretary.
Montreal, June 10th, 1924.

Provincial Paper Mills Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that Dividends have been declared by PROVINCIAL PAPER MILLS, LIMITED, as follows:

Regular Quarterly Dividend 1¾% on Preferred Stock.

Regular Quarterly Dividend 1½% on Common Stock.

All payable on July 2nd, 1924, to Shareholders of record as at close of business June 15th, 1924.

(Signed) S. F. DUNCAN, Treasurer.

Abitibi Power & Paper Company Limited

NOTICE IS HEREBY GIVEN that a quarterly dividend of 1¾% has been declared on the Preferred Stock of the Abitibi Power & Paper Company, Limited, payable the 2nd day of July, 1924, to shareholders of record at the close of business the 20th day of June, 1924.

By Order of the Board.
L. R. WILSON, Secretary.

CANADA CEMENT COMPANY LIMITED

Ordinary Shareholders

DIVIDEND No. 33

NOTICE IS HEREBY GIVEN that a dividend of 1½% for the three months ending June 30th, 1924, being at the rate of 6% per annum on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 16th day of July next to Ordinary Shareholders of record at the close of business June 30th, 1924.

H. L. DOBLE, Secretary.
Montreal, June 16th, 1924.

International Petroleum Company, Limited

Notice of Dividend No. 6

NOTICE is hereby given that a dividend of 25c. United States Currency, per share has been declared by the Directors of the International Petroleum Company, Limited, and that the same will be payable on or after the 30th day of June, 1924, in respect of the shares specified in any Bearer Share Warrants of the Company upon presentation and delivery of coupons No. 6, attached to the said bearer Share Warrants at the following banks:

The Royal Bank of Canada,
60 Church Street, Toronto, Canada.
The Farmers' Loan and Trust Company,
16-22 William Street, New York, N.Y.
The Farmers' Loan and Trust Company, Limited,
26 Old Broad Street, London, E.C., England.
OR
The Offices of the International Petroleum Company, Limited,
56 Church Street, Toronto, Canada.

The payment to Shareholders of record whose shares are fully paid up at the close of business on the 21st day of June, 1924, and whose shares are represented by registered certificates, will be made by cheque, mailed from the offices of the Company on the 30th day of June, 1924.

The Books of the Company will be closed from the 23rd day of June, 1924, to the 30th day of June, 1924 inclusive, and no Bearer Share Warrants will be "split" during that period.

By Order of the Board
J. R. CLARKE, Secretary.
56 Church Street, Toronto, Canada.
11th June, 1924.

QUEBEC POWER COMPANY

NOTICE IS HEREBY GIVEN that a dividend of One and Three-quarters Per Cent. (1¾%) has been declared on the Seven Per Cent. (7%) Cumulative Preferred Stock of the Company for the quarter ending June 30th, payable July 15th, to shareholders of record June 30th, 1924.

By order of the Board.
JAMES WILSON, Secretary.
Montreal, June 13th, 1924.

Southern Canada Power Co. Limited

DIVIDEND NOTICE No. 18

A DIVIDEND of One and one-half per cent. (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending June 30th, 1924, payable July 15th, 1924, to shareholders of record June 30th, 1924.

By order of the Board.
L. C. HASKELL, Secretary-Treasurer.
Montreal, May 30, 1924.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A DIVIDEND of two per cent. (2%) has been declared, payable at the Office of the Company, in Montreal, on July 15, 1924, to shareholders of record at the close of business on June 23, 1924.

JOS. JONES, Treasurer.
Montreal, June 11, 1924.

The Sherwin-Williams Company of Canada, Ltd.

NOTICE IS HEREBY GIVEN that the 52nd quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum for quarter ending May 31st, 1924, upon the Preferred Stock of this Company has been declared payable to shareholders of record the 15th day of June, 1924, and that cheques will be mailed on the 30th day of June, 1924.

Books not closed.

By order of the Board.
D. A. WHITTAKER, Acting Secretary-Treasurer.
Montreal, June 10th, 1924.

The Sherwin-Williams Company of Canada, Ltd.

NOTICE IS HEREBY GIVEN that the 15th quarterly dividend of one and one-half per cent. (1½%) for the quarter ending May 31st, 1924, upon the Common Stock of this Company has been declared payable to shareholders of record the 15th day of June, 1924, and that cheques for same will be mailed on the 30th day of June, 1924.

Books not closed.

By order of the Board.
D. A. WHITTAKER, Acting Secretary-Treasurer.
Montreal, June 10th, 1924.

Dominion Textile Company Limited

Notice of Dividend

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th June, 1924, payable 15th July, to shareholders of record June 30th.

By order of the Board.
JAS. H. WEBB, Secretary-Treasurer.
Montreal, June 2nd, 1924.

Dominion Textile Company, Ltd.

NOTICE OF DIVIDEND

A DIVIDEND of One Dollar ($1.00) per share on the Common Stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th June, 1924, payable July 2nd, to shareholders of record June 14th.

By order of the Board.
JAS. H. WEBB, Secretary-Treasurer.
Montreal, June 2nd, 1924.